

uMLALAZI MUNICIPALITY



DRAFT BUDGET AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) COMMENCING IN 2014/2015

7 MARCH 2014

Copies of this document can be viewed:

- In the foyers of all municipal buildings
- All public libraries within the municipality
 - At www.umlalazi.org.za

<p style="text-align: center;">TABLE OF CONTENTS BUDGET AND MTREF STARTING 2014/2015</p>

PART 1- ANNUAL BUDGET

1.	MAYOR'S REPORT	2
2.	BUDGET RELATED RESOLUTIONS	3
3.	EXECUTIVE SUMMARY	4 - 20
4.	ANNUAL BUDGET TABLES	21 - 35

PART 2- SUPPORTING DOCUMENTATION

5.	OVERVIEW OF ANNUAL BUDGET PROCESS	36 - 47
6.	OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN	48 - 60
7.	MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	61 - 64
8.	OVERVIEW OF BUDGET RELATED POLICIES	65 - 69
9.	OVERVIEW OF BUDGET ASSUMPTIONS	70 - 72
10.	OVERVIEW OF BUDGET FUNDING	73 - 86
11.	EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES	87 - 88
12.	COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS	89 - 92
13.	MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASHFLOW	93 - 95
14.	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)	96
15.	CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS	96
16.	CAPITAL EXPENDITURE DETAILS	97 - 100
17.	LEGISLATION COMPLIANCE STATUS	101 - 102
18.	MUNICIPAL MANAGER'S QUALITY CERTIFICATE	103

PART 3- ANNEXURES

TARIFFS (ANNEXURE 1)	105 - 116
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) (ANNEXURE 2)	117 - 139

ABBREVIATIONS AND ACRONYMS

COGTA	-	Co-Operative Governance and Traditional Affairs
CPI	-	Consumer Price Index
DORA	-	Division of Revenue Act
GRAP	-	Generally Recognised Accounting Practice
IBT	-	Inclining Block Tariff
IDP	-	Integrated Development Plan
KDS	-	King Dinuzulu Suburb
KWH	-	Kilowatt Hour
LED	-	Local Economic Development
LG	-	Local Government
MIG	-	Municipal Infrastructure Grant
MFMA	-	Municipal Finance Management Act
MPRA	-	Municipal Property Rates Act
MSIG	-	Municipal Systems Improvement Grant
MTREF	-	Medium Term Revenue and Expenditure Framework
NERSA	-	National Electricity Regulator of South Africa
PMU	-	Project Management Unit
PPE	-	Property Plant and Equipment
SALGA	-	South African Local Government Association
SALGBC	-	South African Local Government Bargaining Council
SDBIP	-	Service Delivery and Budget Implementation Plan

1. MAYORS' REPORT

The purpose of the mayor's report is to provide a high level summary of the budget that draws on the executive summary and highlights key deliverables during the coming years. The report will address certain fundamental issues such as the eradication of backlogs, commencement of new projects and programmes.

The mayor's report will be tabled at the Council's meeting on 29 May 2014, where the Draft Budget and Medium Term revenue and expenditure Framework (MTREF), will be considered by Council.

The mayor's report will provide the following:

- (a) a summary of the medium-term service delivery objectives and the associated medium term financial implications contained in the annual budget;
- (b) a summary of linkages between the annual budget, the Integrated Development Plan and the political priorities at the national, provincial, district and local levels;
- (c) a summary of infrastructure development objectives;
- (d) a summary of material amendments made to the annual budget after the consultation processes; and
- (e) any other information considered relevant by the Mayor.

2. RESOLUTIONS

Recommended

1. That the Council approve the draft Budget and Medium Term Revenue and Expenditure Framework (MTREF) commencing in 2014/2015, as working documents for the 2013/2014 budget process.
2. That in terms of Section 22 of the Local Government: Municipal Finance Management Act No. 56 of 2003, an advertisement be placed to invite the local community to submit representations in connection with the Medium Term Revenue and Expenditure Framework (MTREF).
3. That Councilors ensure that this working document be discussed at the respective ward committee meetings.

3. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were received as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

The budget/IDP process occurred according to the budget timetable approved by Council on 9 July 2013. This ensured compliance with the LG: MFMA and subsequent circulars in the preparation and approval of the multi-year budget/IDP.

The Budget and Medium Term Revenue and Expenditure Framework (MTREF) was also prepared taking cognizance of the contents of the Local Government: Municipal Finance Management Act No 56 of 2003, Circular No. 70 and the LG:MFMA Budget Formats Guide received from National Treasury.

The main challenges experienced during the compilation of the 2014/2015 Budget and MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable – as there will be a point where services will no longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- Affordability of capital projects-original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2014/2015 budget and MTREF process.

The following budget principles and guidelines directly informed the compilation of the 2014/2015 Budget and MTREF:

- The 2013/2014 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2014/2015 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2014/2015 Budget and Medium-term Revenue and Expenditure Framework:

3.1 Consolidated Overview of the 2014/2015 Budget and MTREF

Details	Adjustments Budget 2013/2014 (R)	Budget Year 2014/2015 (R)	Budget Year 2015/2016 (R)	Budget Year 2016/2017 (R)
Total operating revenue	246 692 250	283 561 100	337 107 990	354 261 510
Total operating expenditure	214 668 100	238 483 000	282 582 140	294 235 190
(Surplus)/Deficit for the year	32 024 150	45 078 100	54 525 850	60 026 320
Total Capital Expenditure	54 244 300	60 676 710	59 016 190	68 946 350

Total operating revenue has grown by 14.95 per cent or R36 868 850 for the 2014/2015 financial year when compared to the 2013/2014 Adjustments Budget. For the two outer years, operational revenue will increase by 18.88 and 5.09 per cent respectively, equating to a total revenue growth of R107 569 260 over the MTREF when compared to the 2013/2014 financial year.

Total operating expenditure for the 2014/2015 financial year has been appropriated at R238 483 000 and translates into a budgeted surplus of R 45 078 100. When compared to the 2013/2014 Adjustments Budget, operational expenditure has grown by 11.09 per cent in the 2014/2015 budget and by 18.49 and 4.12 per cent for each of the respective outer years of the MTREF.

The capital budget of R60 676 710 for 2014/2015 is 11.86 per cent more when compared to the 2013/2014 Adjustments Budget. The capital budget is mainly funded from Government grants over the MTREF.

3.2 Operating Revenue Framework

For uMlalazi Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each services;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA)
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policy of the Municipality.

The following table is a summary of the 2014/2015 Budget and MTREF (classified by main revenue source):

3.2.1 Summary of revenue classified by main revenue source

Description	Current Year 2013/2014			Medium Term Revenue and Expenditure Framework		
(R) Thousands	Original Budget (R)	Adjusted Budget (R)	Full Year Forecast (R)	Budget Year 2014/2015 (R)	Budget Year 2015/2016 (R)	Budget Year 2016/2017 (R)
Revenue by Source						
Property rates	33 020	32 912	32 912	34 456	36 377	38 004
Property rates-penalties & collection charges	825	550	550	581	612	646
Service charges- electricity revenue	51 865	51 843	51 843	56 367	63 604	68 927
Service charges- refuse revenue	9 058	9 149	9 149	10 077	10 621	11 165
Rental of facilities and equipment	1 267	1 301	1 301	1 373	1 447	1 359
Interest earned-external investments	1 100	2 500	2 500	2 600	2 700	2 800
Interest earned-outstanding debtors				150	160	170
Fines	3 604	2 959	2 959	3 124	3 293	3 471
Licences and permits	3 551	3 451	3 451	3 645	3 841	4 049
Transfers recognized – operational	96 758	106 889	106 889	123 624	156 985	160 582
Other revenue	2761	2 967	2 967	3 097	3 232	3 370
Gains on disposal of PPE	200	200	200	100	120	130
Total revenue (excluding capital transfers and contributions)	204 009	214 721	214 721	239 194	282 992	294 673

In line with the formats prescribed by the Municipal Budget and reporting regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise nearly half of the total revenue mix. In the 2013/2014 financial year, revenue from rates and services charges totaled R94 454 000 or 43.99 per cent. This increase to R101 481 000, R111 214 000 and R118 742 000 in the respective financial years of the MTREF. A notable trend is the decrease in the total percentage revenue generated from rates and services charges which increases from 42.43 per cent in 2014/2015 to 40.3 per cent in 2016/2017. This decrease can be mainly attributed to the increased governmental grants and subsidies.

Property rates is the third largest revenue source totaling 14.65 per cent or R35 037 000 and increases to R38 650 000 by 2016/2017.

Operating grants and transfers is the largest revenue source totaling R123 624 000 in the 2013/2014 financial year and steadily increases to R160 582 000 by 2016/2017. Note that the year-on-year growth for the 2014/2015 financial year is 15.66 per cent and then increases to 26.99 and 2.29 per cent in the two outer years. The following tables gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term.

3.2.2 Operating transfers and grants receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		53 055	64 213	88 027	92 858	102 390	102 390	119 510	152 667	156 031
Local Government Equitable Share		50 439	60 650	76 090	80 218	82 861	82 861	102 776	130 750	135 970
Municipal Systems Improvement		750	1 340	800	890	890	890	934	967	1 019
Finance Management		1 176	1 323	1 500	1 550	1 550	1 550	1 600	1 650	1 742
Integrated National Electrification Programme				8 130	8 000	14 870	14 870	12 000	17 000	15 000
EPWP Incentive				981	1 000	1 019	1 019	1 000	1 000	1 000
							-			
Project Management Unit (MIG Projects)		690	900	526	1 200	1 200	1 200	1 200	1 300	1 300
Provincial Government:		3 283	4 935	2 189	3 343	3 942	3 942	3 525	3 698	3 896
Health subsidy		3 090	2 576	201		-	-			
						-	-			
Housing				251		425	425			
PIPMA DTLGA - IDM		-								
PT: Community Library Services		-		-	-	-	-	-	-	-
PT: Provincialisation of Libraries			1 237	1 298	2 726	2 726	2 726	2 876	3 008	3 170
COGTA: Establishment of Pound Grant			4	-			-			
PT: Greenest Municipality			291	97		22	22			
Museum Subsidy		73	125	134	143	143	143	151	166	175
COGTA : Groundnut Activities			512	-			-			
Gratuity Payment: Non-returning councillors							-			
Library Cyber Cadet KDS GR50		120	190	204	259	411	411	272	286	301
Road subsidy				0						
Information Signs Tourism R66		0		4		-	-			
Community Participation in IDP's					200	200	200	211	223	235
Property rates					15	15	15	15	15	15
District Municipality:		1 177	626	483	557	557	557	589	620	654
Uthungulu District Grant: Salary Claims		852	626	483	557	557	557	589	620	654
Uthungulu District Grant: Zulu Dance		20								
Uthungulu District Grant: Capacity Building										
Uthungulu District Grant: Information Signs R66		281								
Capacity Building BDPCB -UDM		25								
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	57 516	69 774	90 698	96 758	106 889	106 889	123 624	156 985	160 581

3.3 Tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Eskom's bulk tariff is far beyond the mentioned inflation target. Given that this tariff increase is determined by external agencies, the impact it has on the municipality's electricity tariffs are largely outside the control of the municipality. Discounting the impact of this price increase in lower consumer tariffs will erode the future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement, etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by their operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

3.3.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No.51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio to residential properties to be 0.25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17 (h) of the MPRA). In addition to this rebate, a further R60 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy;
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a rebate will be granted to owners of rate-able property as follows:

40 per cent rebate

- (i) A single person receiving a total income of R5 690 per month or less
- (ii) A married couple receiving a joint monthly income of R7 100 per month or less

20 per cent rebate

- (i) A single person receiving a total income of R5 691 per month or more
- (ii) A married couple receiving a joint monthly income of R7 101 per month or more

In this regard the following stipulations are relevant:

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of health, also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to the debt should be in place; and
- The property must be categorized as residential.

- The municipality may award a 100 per cent grant in aid on the assessment rates of rate-able properties of certain classes such as churches, registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport.

In considering changes in property rates, cognizance was taken of the local economic conditions such as the gradual recovery in the property market, trends in household incomes and unemployment. Excessive increases in property rates and other tariffs are likely to be counterproductive, resulting in higher levels of non payment and increased bad debts.

The Council at its meeting held on 29 May 2012, resolved to grant a 20% early settlement rebate to ratepayers that makes a single rates payment at the end of September of each year.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2014/2015 financial year based on a 5.6 per cent increase from 1 July 2014 is contained below:

Category	2013/2014 c/R	2014/2015 c/R
Residential	1.17	1.24
Commercial and Industrial	1.17	1.24
Mining	2.34	2.48
Government	1.17	1.24
Municipal	1.17	1.24
Clubs/Churches	1.17	1.24
Agricultural	0.2928	0.3089
Public service infrastructure	0.2928	0.3089

It is expected that Tronox will start mining activities in the Fairbreeze area in the 2014/2015 Budget Year. In terms of Section 8 of the MPRA, a municipality may in terms of the criteria set out in its rates policy levy different rates for different categories of rateable property. The Council at its meeting held on 30 May 2013 resolved that the tariff for mining activities be a ratio of 1:2 in relation to residential property.

The municipality is planning the 3rd round of general valuation of properties in the municipal area. The planned time frames are reflected in the table below.

Task	Actual/Proposed Dates
Tender advertisement	13 February 2014
Compulsory Site briefing	21 February 2014
Closing Date	07 March 2014
Tender Evaluation & Adjudication	17 March 2014
Advertising in terms of section 33 of the MFMA	27 March 2014
Tabling of the contract for Council's approval	27 May 2014
Appointment of the service provider	01 June 2014
Submission of draft valuation roll	28 November 2014
Submission of certified valuation roll	30 January 2015
First advertising valid 30 days	13 February 2015
Second advertising valid for 30 days	19 February 2015
Close of objections	20 March 2015
Date of implementation	01 July 2015

3.3.2 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. An 8.06 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2014.

Considering the Eskom increases, the consumer tariff had to be increased by 9.7 per cent to offset the additional bulk purchase cost from 1 July 2014. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

It should further be noted that NERSA has advised that a stepped tariff structure be implemented for residential consumers from 1 July 2013. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the municipality. Most of the reticulation network was designed or strengthened in the early 1980's with an expected 20-25 year life expectancy. The upgrading of the municipality's electricity network has therefore become a strategic priority, especially the substations and transmission lines. Owing to the high increases in Eskom bulk tariffs, it is clearly not possible to fund these necessary upgrades through increase in the municipal electricity tariff-as the resultant tariff increases would be unaffordable for the consumers. As part of the 2014/2015 medium term upgrading programme, funding of R850 000 from the Equitable Share Grant has been allocated to electricity infrastructure.

3.3.3 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is subsidized with an allocation from the equitable share grant of R2 345 850. Without this subsidy, the solid waste removal service will operate at a deficit. The main contributors to the high operational cost are cost of remuneration, bin liners, repairs and maintenance on vehicles, increases in fuel and solid waste contracts.

The municipality have implemented and monitor a recycling program in the community, to ensure that this service can be rendered in a sustainable manner over the medium to long term.

The waste removal tariffs are increased by 5.6 percent.

3.4 Operating Expenditure Framework

The Municipality's expenditure framework for the 2014/2015 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash backed reserves to fund any deficit;
- Funding of the budget over the medium term as informed by Section 18 and 19 of the MFMA;
- The Capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of no project plan no budget. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2014/2015 budget and MTREF (Classified per main type of operating expenditure):

3.4.1 Summary of operating expenditure by standard classification item

Description	Current Year 2013/2014			Medium Term	Revenue and Expenditure Framework	
(R) Thousands	Original Budget (R)	Adjusted Budget (R)	Full Year Forecast (R)	Budget Year 2014/2015 (R)	Budget Year 2015/2016 (R)	Budget Year 2016/2017 (R)
Expenditure by Type						
Employee related costs	63 357	60 142	60 142	70 323	95 045	101 750
Remuneration of councillors	14 696	14 097	14 097	16 894	18 064	19 315
Depreciation & asset impairment	8 547	8 459	8 459	8 932	9 415	9 923
Finance charges	698	676	676	714	753	793
Bulk purchases	38 566	37 983	37 983	41 003	44 609	47 563
Contracted services	20 435	21 791	21 791	27 449	26 812	24 894
Transfers and grants	3 091	2 989	2 989	3 305	3 486	3 678
Other expenditure	54 570	68 532	68 532	70 263	84 398	86 319
Loss on disposal of PPE						
Total Expenditure	203 960	214 669	214 669	238 883	282 582	294 235

- The budget allocation for employee related costs for the 2014/2015 financial year totals R70 323 000 which equals 29.49 per cent of the total operating expenditure. Provision has been made for the following:
 - A 7%increase in salaries for the three budget years
 - The placing of current staff in the new approved staff structure, in the 2014/2015 budget year
 - The full implementation of the new staff structure in the 2015/2016 budget year.

Hereunder follows a table reflecting the detail of the employee related costs:

DESCRIPTION	2013/2014 (R)	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Salaries and Allowances	41 217 600	49 105 630	71 230 880	76 217 050
Overtime & Standby	3 000 390	3 293 130	4 456 370	4 768 340
Casual Labour	11 000	6 000	6 000	6 000
Housing Subsidy	119 610	134 150	143 530	153 580
Pension Fund Contribution	7 811 730	8 361 590	8 946 910	9 573 190
Pension Fund: Gratuities	7 610	8 140	8 710	9 320
Medical Aid Contribution	2 308 280	2 644 020	2 889 920	3 158 670
Travel, Rental and Other Allowances	3 136 650	3 434 990	3 675 430	3 932 700
Unemployment Fund	376 930	392 950	420 440	449 880
Protective Clothing	317 200	347 260	349 820	365 380
Group Life Insurance	580 720	638 410	683 090	730 900
Workmen's Compensation	663 200	709 620	759 300	812 460
Skills Development Levy	434 890	465 330	497 900	532 750
Performance Bonuses-Sec 57 Managers	155 740	782 330	976 820	1 039 860
TOTAL	60 141 550	70 323 550	95 045 120	101 750 080

- The cost associated with the remuneration of councilors is determined by the Minister of Co-Operative Governance and Traditional Affairs, in accordance with the remuneration of Public Bearers Act (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.
- Provision has been made for the following:
 - A 7%increase for the three budget years
 - Provision has been made for the appointment of four (4) additional Executive Committee members as full-time Councillors. Budget is therefore available to accommodate the full Executive Committee to be full time.
- Provision for depreciation and asset impairments has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R8 932 000 for the 2014/2015 financial and equates to 3.75 per cent of the total operating expenditure.
- Finance charges consist primarily of the repayment of interest on long term borrowing (cost of capital). Finance charges make up 0.3 per cent (R714 000) of operating expenditure excluding annual redemption for 2014/2015 and increases to R 793 000 by 2016/2017.
- Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditure include distribution losses.
- Contracted services has been identified as a cost saving area for the municipality. As part of the compilation of the 2014/2015 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2014/2015 financial year, this group of expenditure totals R27 449 000 and has escalated by 25.96 per cent. For the two outer years it has been limited to a decrease of 2.32 and a decrease of 7.15 per cent.
- Provision is made for the following contracted services:

DESCRIPTION	2013/2014 (R)	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Animal pound facility	620 000	712 420	750 890	791 440
Archive storage	56 400	59 560	62 780	66 170
Bank collections	210 800	222 600	234 620	247 290
Cleaning	784 770	825 060	867 050	911 180
Computer maintenance	1 122 200	989 100	1 038 550	1 090 470
Grass cutting	1 395 150	1 470 420	1 543 940	1 621 140
Insurance	665 440	702 660	740 620	780 630
Internal audit	1 051 960	1 078 810	1 135 470	134 400
Land use management system	-	1 000 000	1 000 000	-
Lease of park home-toilet facilities	-	40 000	42 160	44 440
Mailing of monthly statements	241 770	244 730	257 950	271 880
Pauper burials	5 280	5 580	5 880	6 200
Pre paid electricity vending management system	185 180	195 850	205 640	215 930
Pre paid electricity vending: commission	427 460	441 000	463 050	486 200
Post employment report	26 900	28 410	29 940	31 560
Radio repeater site	6 330	6 680	7 040	7 420
Refuse removal contracts	4 118 150	4 525 180	4 762 820	5 013 080
Rental of land	332 530	351 160	370 130	390 120
Rental of office equipment	725 500	766 140	807 510	851 110
Security	7 207 660	8 450 130	8 873 990	9 319 120
Town planning	332 400	187 400	-	-
Traffic violation system	1 487 330	1 542 400	1 588 670	1 668 100
Valuation costs	432 000	3 200 000	1 594 000	488 400
Weigh bridge	355 020	403 330	429 550	457 470
TOTAL	21 790 230	27 448 620	26 812 250	24 893 750

➤ Security expenditure is made up as follows:

Office bearers	4 931 970
Mayor	484 220
Deputy Mayor	426 860
Speaker	479 650
Chief Whip	436 190
Councilors (x9)	3 105 050
Council buildings	3 179 140
Sportsfield	339 020
	<u>8 450 130</u>

The contracted security services has escalated by 17.24 per cent compared to the 2013/2014 budget year. Over the next two outer years this expenditure line will grow with 29.9 per cent.

- Provision is made for the following transfers and grants:

	2013/2014 (R)	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Zululand Historical Museum	110 250	119 740	129 320	139 140
SPCA	115 000	120 000	125 000	130 000
Social Welfare	120 000	125 000	130 000	135 000
Tourism	185 000	190 000	195 000	200 000
Free Refuse	1 363 100	1 551 430	1 635 210	1 723 510
Free Electricity	1 095 850	1 198 860	1 271 730	1 350 740
TOTAL	2 989 200	3 305 030	3 486 260	3 678 390

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

- Other expenditure comprises of the following:

	2013/2014 (R)	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Provision for bad debts	1 363 550	1 439 910	1 517 660	1 599 610
Repairs and maintenance	15 113 850	15 639 150	18 335 670	19 626 120
Post retirement medical benefits & long service awards	1 176 720	1 242 630	1 309 730	1 380 460
General expenses	49 492 220	50 476 240	61 692 810	62 086 170
Contribution to staff leave	1 385 890	1 463 510	1 542 540	1 625 830
TOTAL	68 532 230	70 261 440	84 398 410	86 318 190

Provision is made for the following repairs and maintenance:

	2013/2014 (R)	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Air-conditioning	21 100	22 280	23 480	24 750
Buildings	403 520	426 130	441 750	465 610
Electricity mains	913 460	964 610	1 016 700	1 071 600
Electricity sub stations	29 030	30 660	32 320	34 070
Fire extinguishers	21 100	22 280	23 480	24 750
Fuel and oil	2 849 620	3 182 600	3 499 200	3 847 390
Furniture, plant and equipment	128 180	158 360	166 930	175 950
Equitable share grants expenditure	8 262 800	8 200 000	10 350 000	11 050 000
Grounds	98 920	104 450	110 090	116 030
Information signs	4 220	4 460	4 700	4 950
Office equipment	39 510	41 730	43 990	46 360
Roads & Streets	695 370	734 310	773 960	815 750
Small plant and equipment	132 550	143 950	151 730	159 930
Speed testing equipment	7 500	7 920	8 350	8 800
Street lights	240 890	254 380	268 120	282 600
Traffic signs	30 690	32 410	34 160	36 000
Transport	1 218 650	1 294 910	1 364 850	1 438 540
Other	16 740	13 710	21 860	23 040
TOTAL	15 113 850	15 639 150	18 335 670	19 626 120

Provision is made for the following general expenses:

	2013/2014 (R)	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Advertising	513 950	542 730	572 040	602 930
Audit fees (Auditor General)	1 597 930	1 687 410	1 778 540	1 874 580
Bank charges	393 480	415 510	437 950	461 600
Bargaining Council levies	21 990	23 220	24 470	25 790
Bursaries	70 000	73 920	77 910	82 120
Capital Replacement Reserve	2 500 000	2 600 000	2 700 000	2 800 000
Cemetery environmental study	-	300 000	100 000	-
Chemicals	32 950	34 790	36 670	38 650
Civic expenses	197 310	208 360	219 610	231 470
Cleaning material	82 210	171 170	180 410	190 130
Conference and delegations	32 210	34 010	35 850	37 790
Community participation in IDP's	200 000	211 200	222 600	234 620
Council's communications	200 450	211 680	223 110	235 160
Department of Human Settlements expenditure	425 000	-	-	-
Entertainment expenses	120 420	131 850	138 980	146 520
Eskom: Other accounts	543 550	291 910	315 260	340 480
Expanded public works programme	1 019 370	1 000 000	1 000 000	1 000 000
Finance management grant expenditure	1 550 000	1 600 000	1 650 000	1 742 400
Equitable share grant expenditure	13 745 650	16 465 040	21 358 190	22 744 090
Integrated rural electricity programme	14 869 690	12 000 000	17 000 000	15 000 000
Legal expenses	995 000	1 000 000	1 005 000	1 010 000
Library books	21 110	22 300	23 500	24 770
Library Cyber cadet grant	411 390	272 000	286 000	301 440
Licence fees	49 990	52 790	55 640	58 650
Loose tools	26 840	28 340	29 860	31 470
Membership fees (SALGA)	693 280	872 180	1 244 200	1 452 790
Municipal systems improvement grant expenditure	890 000	934 000	967 000	1 019 220
Periodicals and publications	23 950	25 290	26 660	28 100
Postage	55 600	58 710	61 880	65 220
Printing and stationery	512 960	541 690	570 960	601 800
Project Management Unit Costs (MIG projects)	1 200 000	1 200 000	1 300 000	1 300 000
Publicity	55 930	59 060	62 250	65 610
Refuse bin liners	635 730	671 330	707 580	745 790
Removal of informal settlements	50 000	200 000	-	-
Rental of buildings	42 000	44 350	46 740	49 260
Road marking	87 230	92 110	97 080	102 320
SABS:3% charge	67 110	70 870	74 700	78 730
Staff relocation costs	20 000	21 120	22 260	23 460
Subsistence & travel: Staff	786 950	831 020	875 900	923 200
Subsistence & travel: Councillors	380 030	401 310	422 980	445 820
Telephones costs	1 010 900	1 067 500	1 125 150	1 185 900
Training	338 440	357 390	376 690	397 030
Ward committees	1 580 000	2 000 000	2 500 000	2 554 160
Water & sanitation costs	977 830	1 032 600	1 088 370	1 147 130
Weed eradication	350 260	439 000	462 710	487 700
Others	113 530	178 480	188 110	198 270
TOTAL	49 492 220	50 476 240	61 692 810	62 086 170

3.5 Capital Budget

The following guidelines were applied in order to value and prioritize the capital projects:

- In line with the Council's revised IDP
- Carry over of previously approved projects
- Existing Council's resolutions, statutory requirements and services related benefits.
- Provision was made for the basic capital projects to be funded from the equitable share if actual cash is available.
- The capital for department's budget growth is 110.4 per cent.

The components of the capital budget are as follows:

Description	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Departments requirements	18 753 710	19 903 190	22 634 000
MIG projects	36 323 000	39 113 000	41 934 910
Small Business Development (Taxi Rank)	3 500 000		
Purchase of Propnet Properties	2 100 000		
Total	60 676 710	59 016 190	64 568 910

The Capital Budget is funded as follows:

Description	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Equitable Share Grant	8 343 710	15 003 190	17 654 000
Municipal Infrastructure Grant	36 323 000	39 113 000	41 934 910
Municipal Systems Improvement Grant	100 000		
Own Funds	15 910 000	4 900 000	4 980 000
Total	60 676 710	59 016 190	64 568 910

The capital for departments to be funded from the Council's Equitable Share Grant and capital replacement reserve are the following:

Description	Amount (R)
Furniture & Equipment	4 368 910
Vehicles	2 610 000
Cemeteries	400 000
Swimming Pools	1 064 800
Buildings	3 300 000
Roads, Sidewalks & Stormwater	6 200 000
Electricity	810 000
TOTAL	18 753 710

The Municipal Infrastructure Grant Projects for the next three budget years are as follows:

	Ward	2014/2015	2015/2016	2016/2017
<u>HALLS AND OFFICES</u>				
Sqwanjana hall	13	1 700 000		
Emandawe hall	10			1 500 000
Bongela hall	1			550 000
Mcongweni hall	13			1 026 000
<u>TESTING GROUNDS</u>				
New testing station	11	2 856 870	8 736 330	14 547 620
<u>SPORTS FIELDS</u>				
Kwayabu sports field	15	1 400 000		
Kwabulawayo sports field	24	2 140 130	5 475 590	6 700 340
Emfenyane sports field	14			1 438 020
<u>CRECHES</u>				
Ngodini creche	26			1 000 000
<u>ROADS AND CAUSEWAYS</u>				
Kangella street	11	4 216 860	8 892 270	7 498 810
Nogobhoza road	15	1 562 180		
Ntenjane causeway	14			
Naickerville intersection	18			
Esifubeni road	10	2 321 950		
KDS/Sunnydale link road	12	1 900 000		
Osborn road rehabilitation	11	4 386 770		
Gcisa road	17	2 178 380	2 178 370	
KDS bus route rehabilitation	12	500 000		
Mfofolozi causeway	1	2 400 000	3 500 000	3 384 810
Ndlongolwane road	4	1 500 000	2 314 730	
Ngwandla road	19			
Mtipela road	3	3 000 000		
Makhehle causeway	24	1 100 000		
Bele Road	24	1 309 860	6 815 710	
Hlungwini causeway	5			789 310
Gingindlovu stormwater	18			2 000 000
<u>OTHER</u>				
Rehabilitation of landfill site	11	550 000		
Retention monies		1 300 000	1 200 000	1 500 000
Sub total		36 323 000	39 113 000	41 934 910
<u>PMU ADMIN COSTS</u>		1 200 000	1 200 000	1 200 000
<u>TOTAL</u>		37 523 000	40 313 000	43 134 910

The capital budget will be spent on the following categories of assets:

Description	Amount (R)	%
Infrastructure : Roads	23 751 000	39
Electricity	650 000	2
Other	5 706 870	9
Investment properties	2 100 000	3
Community assets	4 880 130	8
Other assets	23 588 710	39
Total capital expenditure	60 676 710	100

3.6 Financial position of Council

The accumulated surplus of the Council was R245 499 849 as at 30 June 2013. Unfortunately this amount is not cash backed. The surplus for the 2014/2015 and the next two years is projected as follows:

2014/2015-	R45 078 100
2015/2016-	R54 525 850
2016/2017-	R60 026 320

3.7 Alignment with National Priorities

3.7.1 In preparing the draft budget, government's 12 outcomes were taken into account.

These outcomes are:

- Improve the quality of basic education
- Improve health and life expectancy
- All people in South Africa protected and feel safe
- Decent employment through inclusive economic growth
- A skilled and capable workforce to support inclusive growth
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities and food security
- Sustainable human settlements and improved quality of household life
- A response and, accountable, effective and efficient local government system.
- Protection and enhancement of environmental assets and natural resources
- A better South Africa, a better and safer Africa and world
- A development orientated public service and inclusive citizenship

These objectives are directly relevant to the municipality. The challenge for the municipality is do more within its existing resource envelope.

3.8 The Municipality's role in employment creation

" Employment is central to human dignity, sustainable economic development and social cohesion. Creating jobs and increasing employment is South Africa's most critical objective.

While there are many policy options to consider, emphasis should be placed on removing the structural impediments to faster job growth. This means aligning real wage growth with productivity, speeding up regulatory reform to ensure that young and less skilled workers can access the job market, and ensuring that further education and training programmes provide the real world skills needed by public and private sector employers. Public employment to support service delivery, and public works projects that draw in lower skilled workers, will continue to play an important role. The issue of youth unemployment is imperative and needs to be confronted directly."

The Council will explore how it can contribute to job creation when revising the IDP and preparing the 2014/2015 budget. However, the Council will not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term. The Council will focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate
- Ensuring that service providers use labour intensive approaches.
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programmes; and
- Implementing interns programmes to provide young people with on the job training.

With reference to employment creation, provision is made for the following:

- Contractors that are appointed for Municipal Infrastructure Grant (MIG) projects, are encouraged to make use of local labour;
- R2 224 750 from the equitable share is allocated for LED projects;
- R4 526 670 from the equitable share is allocated for work creation projects;
- The Municipality has received a R1 000 000 grant to participate in the Extended Public Works Programme, and
- The Council has appointed five financial interns.

3.9 Key amendments to budget –related policies

The amendments to the budget related policies are set under section 8 of the budget document.

4. Annual Draft Budget Tables

	<i>Table</i>	<i>Page</i>
➤ Budget Summary	A1	22
➤ Budgeted Financial Performance (Revenue & Expenditure by Standard Classification)	A2	23
➤ Budgeted Financial Performance (Revenue & Expenditure by Municipal Vote)	A3	24
➤ Budgeted Financial Performance (Revenue & Expenditure)	A4	25
➤ Chart A4: Budgeted Financial Performance (Revenue)		26
➤ Chart A4: Budgeted Financial Performance (Expenditure)		27
➤ Budgeted Capital Expenditure by Vote, Standard Classification and Funding	A5	28
➤ Chart A5: Adjustments Budget Capital Expenditure Budget by Vote and Funding		29
➤ Budgeted Financial Position	A6	30
➤ Budgeted Cash flows	A7	31
➤ Cash Back Reserves/ Accumulated Surplus Reconciliation	A8	32
➤ Asset Management	A9	33
➤ Chart A9:Asset management		34
➤ Basic Service Delivery Measurement	A10	35

KZN284 uMlalazi - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	41 545	29 413	30 865	33 844	33 462	33 462	33 462	35 037	36 990	38 650
Service charges	44 019	52 027	57 500	60 923	60 991	60 991	60 991	66 444	74 225	80 092
Investment revenue	635	1 139	2 491	1 100	2 500	2 500	2 500	2 600	2 700	2 800
Transfers recognised - operational	57 516	69 774	90 698	96 758	106 889	106 889	106 889	123 624	156 985	160 582
Other own revenue	11 720	12 381	10 813	11 382	10 877	10 877	10 877	11 489	12 092	12 550
Total Revenue (excluding capital transfers and contributions)	155 434	164 734	192 367	204 008	214 720	214 720	214 720	239 194	282 992	294 673
Employee costs	49 867	51 875	54 201	63 358	60 142	60 142	60 142	70 324	95 045	101 750
Remuneration of councillors	10 954	12 059	12 733	14 696	14 097	14 097	14 097	16 895	18 064	19 315
Depreciation & asset impairment	7 037	7 548	8 056	8 547	8 459	8 459	8 459	8 932	9 415	9 923
Finance charges	643	770	709	698	676	676	676	714	753	794
Materials and bulk purchases	25 780	31 537	35 992	38 566	37 983	37 983	37 983	41 003	44 609	47 563
Transfers and grants	2 074	2 572	2 812	3 091	2 989	2 989	2 989	3 305	3 486	3 678
Other expenditure	63 727	56 881	76 502	75 003	90 322	90 322	90 322	97 710	111 211	111 212
Total Expenditure	160 081	163 243	191 004	203 959	214 668	214 668	214 668	238 883	282 582	294 235
Surplus/(Deficit)	(4 647)	1 491	1 364	49	52	52	52	311	410	437
Transfers recognised - capital	23 409	25 458	35 093	42 476	31 973	31 973	31 973	44 767	54 116	59 589
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	18 762	26 949	36 456	42 525	32 024	32 024	32 024	45 078	54 526	60 026
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	18 762	26 949	36 456	42 525	32 024	32 024	32 024	45 078	54 526	60 026
Capital expenditure & funds sources										
Capital expenditure	23 409	25 458	33 670	45 976	54 244	54 244	54 244	60 677	59 016	64 569
Transfers recognised - capital	23 409	24 094	33 670	42 476	49 044	49 044	49 044	44 767	54 116	59 589
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	1 364	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	3 500	3 200	3 200	3 200	15 910	4 900	4 980
Total sources of capital funds	23 409	25 458	33 670	45 976	52 244	52 244	52 244	60 677	59 016	64 569
Financial position										
Total current assets	48 492	61 303	90 928	45 380	14 306	14 306	14 306	10 191	11 012	13 208
Total non current assets	441 990	449 077	483 393	453 810	507 804	507 804	507 804	500 035	507 338	547 659
Total current liabilities	33 910	33 084	43 121	19 022	42 218	42 218	42 218	41 124	42 138	43 083
Total non current liabilities	24 523	24 763	24 534	21 000	19 590	19 590	19 590	21 988	24 893	25 360
Community wealth/equity	432 043	453 053	506 067	457 974	520 302	520 302	520 302	513 120	510 760	551 824
Cash flows										
Net cash from (used) operating	19 485	25 761	57 589	36 231	17 340	17 340	17 340	33 302	45 374	47 138
Net cash from (used) investing	(21 312)	(22 148)	(34 362)	(34 285)	(32 308)	(32 308)	(32 308)	(30 311)	(41 194)	(45 006)
Net cash from (used) financing	2 449	(223)	(287)	(183)	(9)	(9)	(9)	(153)	(109)	(291)
Cash/cash equivalents at the year end	34 138	37 548	60 488	62 201	49 431	49 431	49 431	42 289	46 300	48 081
Cash and investments reconciliation										
Cash and investments available	21 158	37 549	60 489	19 075	45 432	45 432	45 432	42 290	46 301	48 082
Application of cash and investments	24 498	13 081	19 979	11 115	43 101	43 101	43 101	40 843	43 986	45 440
Balance - surplus (shortfall)	(3 340)	24 468	40 510	8 560	2 351	2 351	2 351	1 447	2 315	2 642
Asset management										
Asset register summary (WDV)	439 993	447 319	466 399	437 519	441 372	441 372	452 449	452 449	462 225	466 259
Depreciation & asset impairment	7 037	7 548	8 056	8 547	8 459	8 459	8 932	8 932	9 415	9 923
Renewal of Existing Assets	1 357	1 907	7 234	14 251	16 330	16 330	16 330	23 598	24 249	25 119
Repairs and Maintenance	5 505	10 013	10 541	10 988	13 598	13 598	15 639	15 639	18 336	19 626
Free services										
Cost of Free Basic Services provided	120	126	153	149	153	153	166	166	176	188
Revenue cost of free services provided	13 974	11 182	13 202	12 482	13 202	13 202	14 456	14 456	15 174	16 110
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	1	-	1	1	1	1	1	1	1	1
Refuse:	-	-	-	-	-	-	-	-	-	-

KZN284 uMlalazi - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Revenue - Standard										
Governance and administration		82 417	79 050	90 523	99 840	101 482	101 482	121 173	149 175	154 352
Executive and council		80 147	76 776	87 925	96 973	98 924	98 924	117 359	145 244	151 257
Budget and treasury office		2 193	2 059	2 253	2 456	2 215	2 215	2 453	2 551	2 693
Corporate services		77	215	345	411	342	342	1 362	1 381	402
Community and public safety		15 953	16 564	14 185	13 173	12 999	12 999	14 337	20 332	21 687
Community and social services		1 478	2 969	3 406	3 859	4 044	4 044	3 830	4 209	4 299
Sport and recreation		2 372	4 067	3 030	2 427	2 337	2 337	2 704	5 499	5 864
Public safety		4 230	3 168	4 089	4 773	4 028	4 028	4 475	5 854	6 262
Housing		1 252	136	1 376	134	560	560	143	150	158
Health		6 622	6 224	2 284	1 980	2 030	2 030	3 186	4 620	5 104
Economic and environmental services		8 331	10 783	13 759	10 656	14 010	14 010	14 272	15 442	16 174
Planning and development		808	1 370	1 826	2 505	2 659	2 659	2 642	2 766	2 791
Road transport		7 523	9 413	11 932	8 151	11 351	11 351	11 631	12 677	13 383
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		48 732	58 337	73 901	80 340	86 230	86 230	89 412	98 042	102 460
Electricity		39 422	48 582	63 297	67 170	73 352	73 352	75 185	82 900	86 531
Water		-	-	-	-	-	-	-	-	-
Waste water management		2	3	1	1	1	1	1	1	1
Waste management		9 308	9 752	10 603	13 169	12 878	12 878	14 226	15 141	15 928
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	155 434	164 734	192 367	204 008	214 721	214 721	239 194	282 992	294 673
Expenditure - Standard										
Governance and administration		61 509	50 196	61 652	66 295	67 960	67 960	83 274	111 530	115 048
Executive and council		50 472	38 445	47 242	49 552	51 301	51 301	63 170	90 395	93 560
Budget and treasury office		7 101	7 565	9 913	11 161	11 134	11 134	12 731	13 536	14 435
Corporate services		3 936	4 186	4 496	5 582	5 525	5 525	7 374	7 599	7 053
Community and public safety		34 450	38 025	39 945	40 073	40 640	40 640	46 554	54 488	58 214
Community and social services		4 354	5 194	6 321	5 356	5 235	5 235	5 666	6 007	6 322
Sport and recreation		8 221	9 168	9 163	9 868	9 373	9 373	10 318	13 624	14 538
Public safety		13 027	16 321	18 697	20 564	21 157	21 157	24 603	27 255	29 054
Housing		1 200	208	1 327	135	573	573	156	165	174
Health		7 649	7 134	4 437	4 150	4 302	4 302	5 810	7 437	8 127
Economic and environmental services		12 583	15 692	18 308	16 915	20 177	20 177	21 136	22 832	24 133
Planning and development		2 021	2 549	3 331	4 272	4 156	4 156	4 372	4 620	4 781
Road transport		10 563	13 143	14 977	12 643	16 021	16 021	16 764	18 212	19 352
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		51 199	58 875	70 658	80 150	85 406	85 406	87 367	93 142	96 209
Electricity		39 300	45 912	55 606	64 184	70 582	70 582	71 111	75 906	77 926
Water		-	-	-	-	-	-	-	-	-
Waste water management		334	351	661	720	594	594	726	773	823
Waste management		11 565	12 612	14 391	15 246	14 230	14 230	15 531	16 464	17 460
Other	4	340	455	440	526	486	486	552	590	631
Total Expenditure - Standard	3	160 082	163 243	191 004	203 959	214 669	214 669	238 883	282 582	294 235
Surplus/(Deficit) for the year		(4 647)	1 491	1 364	49	52	52	311	410	437

KZN284 uMlalazi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		80 147	76 775	87 925	97 010	98 924	98 924	117 359	145 244	151 257
Vote 2 - BUDGET AND TREASURY OFFICE		2 193	2 059	2 253	2 456	2 215	2 215	2 453	2 551	2 693
Vote 3 - CORPORATE SERVICES		1 183	1 482	1 959	934	934	934	1 711	1 938	852
Vote 4 - PLANNING AND DEVELOPMENT		808	1 370	1 826	2 505	2 659	2 659	2 642	2 766	2 791
Vote 5 - HEALTH		6 622	6 224	2 284	1 980	2 030	2 030	3 186	4 620	5 104
Vote 6 - COMMUNITY AND SOCIAL SERVICES		372	1 702	1 792	3 300	3 453	3 453	3 481	3 651	3 849
Vote 7 - HOUSING		1 252	136	1 376	134	560	560	143	150	158
Vote 8 - PUBLIC SAFETY		4 230	3 168	4 089	4 773	4 028	4 028	4 475	5 854	6 262
Vote 9 - SPORTS AND RECREATION		2 372	4 066	3 030	2 427	2 337	2 337	2 704	5 499	5 864
Vote 10 - WASTE MANAGEMENT		9 310	9 755	10 603	13 170	12 879	12 879	14 227	15 142	15 929
Vote 11 - ROAD TRANSPORT		7 523	9 413	11 932	8 151	11 351	11 351	11 631	12 677	13 383
Vote 12 - ELECTRICITY		39 422	48 582	63 297	67 170	73 352	73 352	75 185	82 900	86 531
Vote 13 - AIR TRANSPORT		-	-	-	-	-	-	-	-	-
Vote 14 - WORKSHOP		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	155 434	164 732	192 367	204 008	214 721	214 721	239 194	282 992	294 673
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		50 472	38 445	47 242	49 553	51 301	51 301	63 170	90 395	93 560
Vote 2 - BUDGET AND TREASURY OFFICE		7 101	7 565	9 913	11 160	11 135	11 135	12 731	13 536	14 435
Vote 3 - CORPORATE SERVICES		6 111	6 815	7 896	7 638	7 598	7 598	9 372	9 912	9 541
Vote 4 - PLANNING AND DEVELOPMENT		2 021	2 549	3 331	4 272	4 156	4 156	4 372	4 620	4 781
Vote 5 - HEALTH		7 649	7 134	4 437	4 150	4 302	4 302	5 810	7 437	8 127
Vote 6 - COMMUNITY AND SOCIAL SERVICES		2 178	2 565	2 922	3 300	3 162	3 162	3 668	3 693	3 834
Vote 7 - HOUSING		1 200	207	1 327	135	573	573	156	165	174
Vote 8 - PUBLIC SAFETY		13 027	16 321	18 697	20 564	21 157	21 157	24 603	27 255	29 054
Vote 9 - SPORTS AND RECREATION		8 221	9 167	9 163	9 868	9 373	9 373	10 318	13 624	14 538
Vote 10 - WASTE MANAGEMENT		11 899	12 963	15 052	15 966	14 824	14 824	16 257	17 236	18 283
Vote 11 - ROAD TRANSPORT		10 563	13 143	14 977	12 643	16 021	16 021	16 764	18 212	19 352
Vote 12 - ELECTRICITY		39 300	45 912	55 606	64 184	70 582	70 582	71 111	75 906	77 926
Vote 13 - AIR TRANSPORT		9	9	12	12	12	12	12	13	14
Vote 14 - WORKSHOP		332	446	429	514	474	474	539	577	617
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	160 082	163 241	191 004	203 959	214 670	214 670	238 883	282 582	294 235
Surplus/(Deficit) for the year	2	(4 647)	1 491	1 364	49	52	52	311	410	437

KZN284 uMlalazi - Table A4 Budgeted Financial Performance (revenue and expenditure)

2014/15 Medium Term Revenue & Expenditure Framework											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Revenue By Source											
Property rates	2	40 566	28 733	30 174	33 019	32 912	32 912	32 912	34 456	36 377	38 004
Property rates - penalties & collection charges		979	680	691	825	550	550	550	581	613	646
Service charges - electricity revenue	2	37 885	44 730	49 305	51 865	51 843	51 843	51 843	56 367	63 604	68 927
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	6 134	7 297	8 194	9 058	9 149	9 149	9 149	10 077	10 621	11 165
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 358	1 516	1 707	1 267	1 301	1 301	1 301	1 373	1 447	1 359
Interest earned - external investments		635	1 139	2 491	1 100	2 500	2 500	2 500	2 600	2 700	2 800
Interest earned - outstanding debtors		-	-	-	-	-	-	-	150	160	170
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		3 375	2 623	2 835	3 604	2 959	2 959	2 959	3 124	3 293	3 471
Licences and permits		3 140	3 318	3 389	3 551	3 451	3 451	3 451	3 645	3 841	4 049
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		57 516	69 774	90 698	96 758	106 889	106 889	106 889	123 624	156 985	160 582
Other revenue	2	3 175	2 463	2 760	2 760	2 966	2 966	2 966	3 097	3 231	3 371
Gains on disposal of PPE		671	2 461	122	200	200	200	200	100	120	130
Total Revenue (excluding capital transfers and contributions)		155 434	164 734	192 367	204 008	214 720	214 720	214 720	239 194	282 992	294 673
Expenditure By Type											
Employee related costs	2	49 867	51 875	54 201	63 358	60 142	60 142	60 142	70 324	95 045	101 750
Remuneration of councillors		10 954	12 059	12 733	14 696	14 097	14 097	14 097	16 895	18 064	19 315
Debt impairment	3	1 226	1 846	1 389	1 364	1 364	1 364	1 364	1 440	1 518	1 600
Depreciation & asset impairment	2	7 037	7 548	8 056	8 547	8 459	8 459	8 459	8 932	9 415	9 923
Finance charges		643	770	709	698	676	676	676	714	753	794
Bulk purchases	2	25 780	31 537	35 992	38 566	37 983	37 983	37 983	41 003	44 609	47 563
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		12 891	17 921	19 454	20 435	21 790	21 790	21 790	27 449	26 812	24 894
Transfers and grants		2 074	2 572	2 812	3 091	2 989	2 989	2 989	3 305	3 486	3 678
Other expenditure	4, 5	49 610	37 114	55 660	53 205	67 169	67 169	67 169	68 822	82 881	84 719
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		160 081	163 243	191 004	203 959	214 668	214 668	214 668	238 883	282 582	294 235
Surplus/(Deficit)											
Transfers recognised - capital	6	23 409	25 458	35 093	42 476	31 973	31 973	31 973	44 767	54 116	59 589
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		18 762	26 949	36 456	42 525	32 024	32 024	32 024	45 078	54 526	60 026
Taxation											
Surplus/(Deficit) after taxation		18 762	26 949	36 456	42 525	32 024	32 024	32 024	45 078	54 526	60 026
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		18 762	26 949	36 456	42 525	32 024	32 024	32 024	45 078	54 526	60 026
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		18 762	26 949	36 456	42 525	32 024	32 024	32 024	45 078	54 526	60 026

CHART A4 FINANCIAL PERFORMANCE (REVENUE)	
2014/2015 MTREF	
DESCRIPTION	BUDGET YEAR 2014/2015 R'000
REVENUE BY SOURCE	
PROPERTY RATES	34 456
SERVICE CHARGES : ELECTRICITY	56 367
SERVICE CHARGES : REFUSE	10 077
TRANSFERS RECOGNISED - OPERATING	123 624
TRANSFERS RECOGNISED - CAPITAL	44 767
OTHER REVENUE	14 671
TOTAL REVENUE	283 961

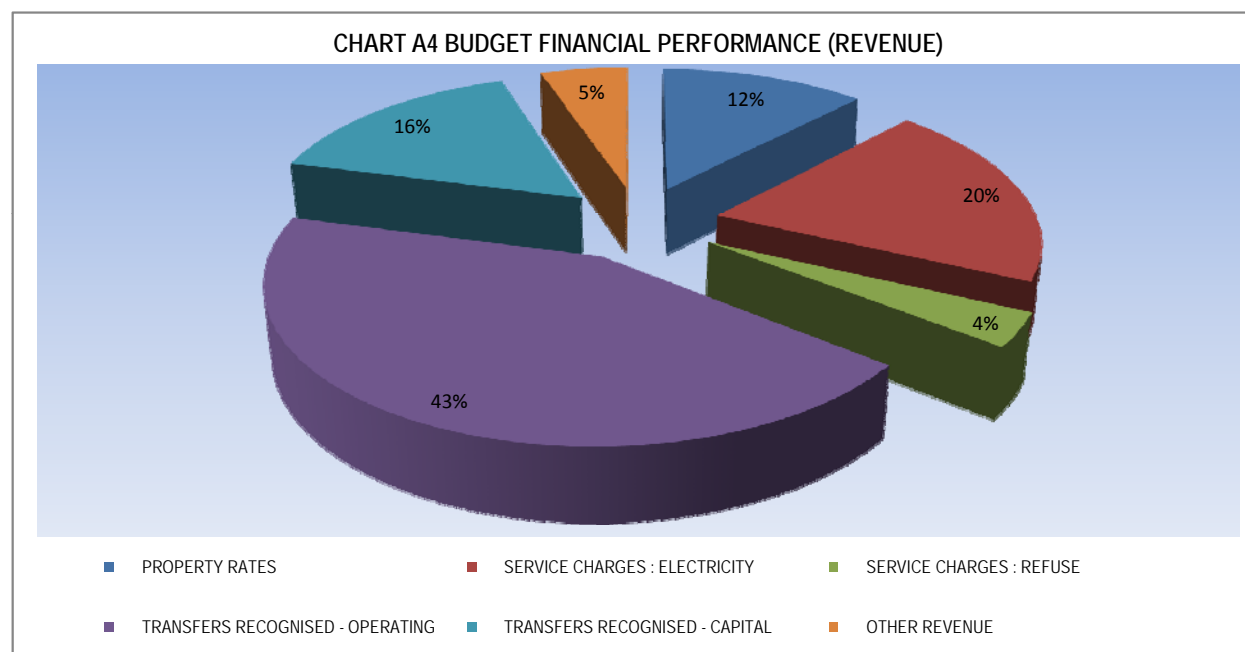
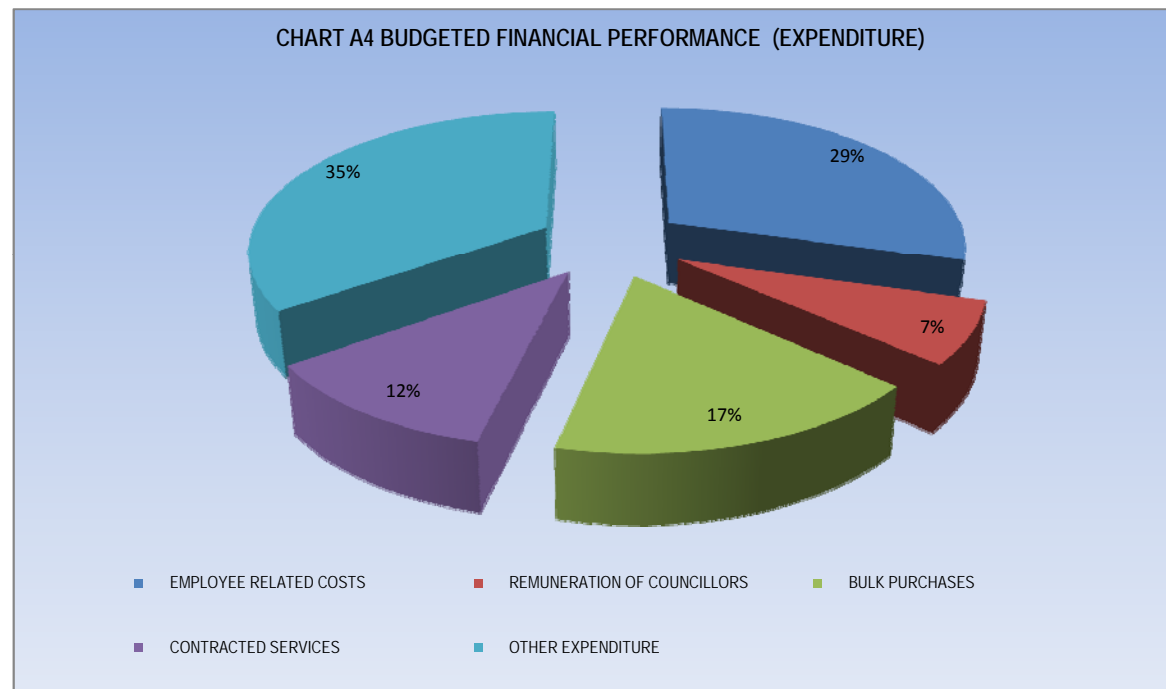


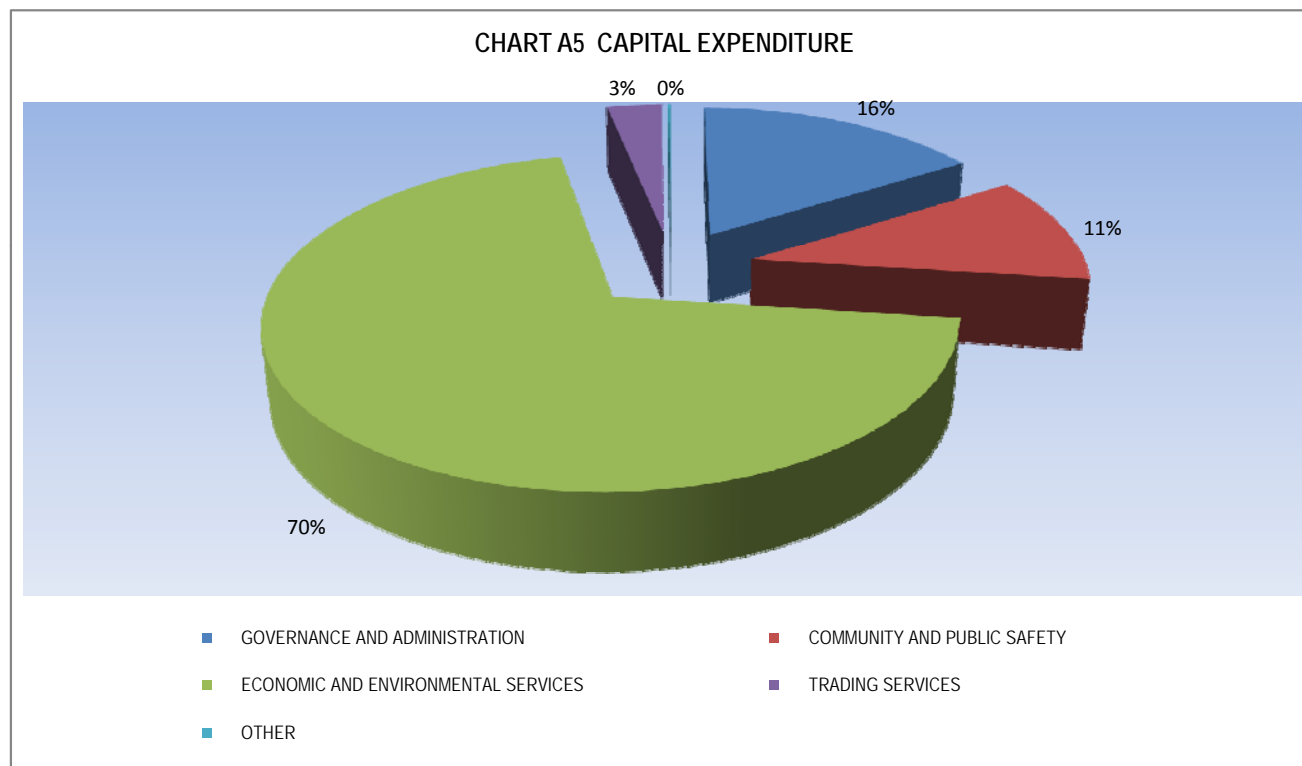
CHART A4 FINANCIAL PERFORMANCE BUDGET (EXPENDITURE)	
2014/2015MTREF	
DESCRIPTION	BUDGET YEAR 2014/2015R'000
EXPENDITURE BY TYPE	
EMPLOYEE RELATED COSTS	70 324
REMUNERATION OF COUNCILLORS	16 895
BULK PURCHASES	41 003
CONTRACTED SERVICES	27 449
OTHER EXPENDITURE	83 213
TOTAL EXPENDITURE	238 883



KZN284 uMlalazi - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		2 072	837	797	1 055	1 111	1 111	1 111	678	20	30
Vote 2 - BUDGET AND TREASURY OFFICE		228	626	265	293	296	296	296	866	256	178
Vote 3 - CORPORATE SERVICES		1 087	805	2 926	2 280	4 295	4 295	4 295	8 250	1 644	7 761
Vote 4 - PLANNING AND DEVELOPMENT		28	58	6	80	80	80	80	-	-	-
Vote 5 - HEALTH		126	51	17	15	15	15	15	55	10	65
Vote 6 - COMMUNITY AND SOCIAL SERVICES		2 834	1 226	922	470	1 670	1 670	1 670	410	470	1 060
Vote 7 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 8 - PUBLIC SAFETY		664	497	1 823	820	793	793	793	690	490	3 355
Vote 9 - SPORTS AND RECREATION		2 237	2 001	2 552	2 640	2 886	2 886	2 886	5 510	9 816	9 738
Vote 10 - WASTE MANAGEMENT		4 257	358	528	4 062	8 901	8 901	8 901	800	1 770	400
Vote 11 - ROAD TRANSPORT		8 289	18 423	23 357	32 562	32 252	32 252	32 252	42 318	41 377	39 521
Vote 12 - ELECTRICITY		1 548	547	432	1 438	1 686	1 686	1 686	1 100	3 163	2 460
Vote 13 - AIR TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 14 - WORKSHOP		37	29	44	260	260	260	260	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	23 409	25 458	33 670	45 976	54 244	54 244	54 244	60 677	59 016	64 569
Capital Expenditure - Standard											
Governance and administration		3 388	2 268	3 988	3 628	5 702	5 702	5 702	9 794	1 920	7 970
Executive and council		2 072	837	797	1 055	1 111	1 111	1 111	678	20	30
Budget and treasury office		228	626	265	293	296	296	296	866	256	178
Corporate services		1 087	805	2 926	2 280	4 295	4 295	4 295	8 250	1 644	7 761
Community and public safety		5 862	3 775	5 314	3 945	5 364	5 364	5 364	6 665	10 786	14 219
Community and social services		2 834	1 226	922	470	1 670	1 670	1 670	410	470	1 060
Sport and recreation		2 237	2 001	2 552	2 640	2 886	2 886	2 886	5 510	9 816	9 738
Public safety		664	497	1 823	820	793	793	793	690	490	3 355
Housing		-	-	-	-	-	-	-	-	-	-
Health		126	51	17	15	15	15	15	55	10	65
Economic and environmental services		8 316	18 481	23 363	32 642	32 332	32 332	32 332	42 318	41 377	39 521
Planning and development		28	58	6	80	80	80	80	-	-	-
Road transport		8 289	18 423	23 357	32 562	32 252	32 252	32 252	42 318	41 377	39 521
Environmental protection		-	0	0	0	0	0	0	0	0	0
Trading services		5 805	905	960	5 500	10 587	10 587	10 587	1 900	4 933	2 860
Electricity		1 548	547	432	1 438	1 686	1 686	1 686	1 100	3 163	2 460
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		4 257	358	528	4 062	8 901	8 901	8 901	800	1 770	400
Other		37	29	44	260	260	260	260	-	-	-
Total Capital Expenditure - Standard	3	23 409	25 458	33 670	45 976	54 244	54 244	54 244	60 677	59 016	64 569
Funded by:											
National Government		23 409	24 094	32 602	42 476	47 976	47 976	47 976	44 767	54 116	59 589
Provincial Government				1 068		1 068	1 068	1 068			
District Municipality				-		-	-	-			
Other transfers and grants				-		-	-	-			
Transfers recognised - capital	4	23 409	24 094	33 670	42 476	49 044	49 044	49 044	44 767	54 116	59 589
Public contributions & donations	5					-	-	-			
Borrowing	6		1 364			-	-	-			
Internally generated funds					3 500	3 200	3 200	3 200	15 910	4 900	4 980
Total Capital Funding	7	23 409	25 458	33 670	45 976	52 244	52 244	52 244	60 677	59 016	64 569

CHART A5 CAPITAL EXPENDITURE BY STANDARD CLASSIFICATION	
2014/2015MTREF	
DESCRIPTION	BUDGET YEAR 2014/2015 R'000
GOVERNANCE AND ADMINISTRATION	9 793 710
COMMUNITY AND PUBLIC SAFETY	6 610 130
ECONOMIC AND ENVIRONMENTAL SERVICES	42 317 870
TRADING SERVICES	1 900 000
OTHER	55 000
TOTAL EXPENDITURE	60 676 710



KZN284 uMlalazi - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Current assets											
Cash		4 132	37 548	60 488	4 734	45 451	45 451	45 451	42 289	46 300	48 081
Call investment deposits	1	17 025	–	–	14 940	–	–	–	–	–	–
Consumer debtors	1	21 972	20 058	25 410	20 708	23 050	23 050	23 050	22 325	19 400	19 773
Other debtors		3 424	1 732	1 690	2 962	2 520	2 520	2 520	2 237	2 244	2 196
Current portion of long-term receivables		22	20	26	20	20	20	20	20	21	20
Inventory	2	1 917	1 945	3 314	2 022	3 325	3 325	3 325	3 326	3 107	3 138
Total current assets		48 492	61 303	90 928	45 386	74 366	74 366	74 366	70 197	71 072	73 208
Non current assets											
Long-term receivables		1 457	1 429	1 423	1 473	1 444	1 444	1 444	1 449	1 452	1 450
Investments	1	1	1	1	1	1	1	1	1	1	1
Investment property		8 601	9 401	10 316	11 001	11 116	11 116	11 116	11 926	12 746	13 576
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	431 343	437 871	471 590	440 440	495 170	495 170	495 170	492 576	493 046	532 524
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		49	46	63	66	73	73	73	83	93	108
Other non-current assets		539	829	–	829	–	–	–	–	–	–
Total non current assets		441 990	449 577	483 393	453 810	507 804	507 804	507 804	506 035	507 338	547 659
TOTAL ASSETS		490 482	510 880	574 321	499 196	582 170	582 170	582 170	576 232	578 410	620 867
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	343	343	343	343	343	343	343	343	343	343
Consumer deposits		979	1 099	1 155	1 489	1 489	1 489	1 489	1 679	1 853	1 905
Trade and other payables	4	29 267	15 651	38 537	12 703	35 948	35 948	35 948	33 856	34 616	34 840
Provisions		3 327	15 991	3 686	5 087	4 438	4 438	4 438	5 245	5 926	6 595
Total current liabilities		33 916	33 084	43 721	19 622	42 218	42 218	42 218	41 124	42 738	43 683
Non current liabilities											
Borrowing		5 828	5 485	5 142	4 799	4 799	4 799	4 799	4 456	4 113	3 770
Provisions		18 695	19 278	19 392	16 801	14 791	14 791	14 791	17 532	20 780	21 590
Total non current liabilities		24 523	24 763	24 534	21 600	19 590	19 590	19 590	21 988	24 893	25 360
TOTAL LIABILITIES		58 439	57 847	68 255	41 222	61 808	61 808	61 808	63 112	67 631	69 043
NET ASSETS	5	432 043	453 033	506 067	457 974	520 362	520 362	520 362	513 120	510 780	551 824
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		169 200	198 591	234 968	270 705	277 524	277 524	277 524	335 350	394 826	457 563
Reserves	4	262 843	254 442	271 099	187 269	242 838	242 838	242 838	177 770	115 954	94 261
Minorities' interests		–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	432 043	453 033	506 067	457 974	520 362	520 362	520 362	513 120	510 780	551 824

KZN284 uMlalazi - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		89 715	82 747	121 806	94 917	94 095	94 095	94 095	100 324	107 249	114 138
Government - operating	1	57 516	69 774	90 698	96 759	106 889	106 889	106 889	123 624	156 985	160 582
Government - capital	1	21 843	22 269	35 093	42 476	31 973	31 973	31 973	44 767	54 116	59 589
Interest		1 074	1 667	2 491	1 100	2 500	2 500	2 500	2 600	2 700	2 800
Dividends											
Payments											
Suppliers and employees		(149 621)	(147 354)	(188 978)	(195 233)	(214 452)	(214 452)	(214 452)	(234 019)	(271 441)	(285 513)
Finance charges		(643)	(770)	(709)	(698)	(676)	(676)	(676)	(714)	(753)	(794)
Transfers and Grants	1	(399)	(2 572)	(2 812)	(3 090)	(2 989)	(2 989)	(2 989)	(3 280)	(3 482)	(3 664)
NET CASH FROM/(USED) OPERATING ACTIVITIES		19 485	25 761	57 589	36 231	17 340	17 340	17 340	33 302	45 374	47 138
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		730	2 512	439	200	200	200	200	100	120	130
Decrease (Increase) in non-current debtors		(499)	(2)	5	(3)	(21)	(21)	(21)	(5)	(3)	2
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(21 543)	(24 658)	(34 806)	(34 482)	(32 547)	(32 547)	(32 547)	(36 406)	(41 311)	(45 198)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(21 312)	(22 148)	(34 362)	(34 285)	(32 368)	(32 368)	(32 368)	(36 311)	(41 194)	(45 066)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		2 575									
Increase (decrease) in consumer deposits		203	120	56	160	334	334	334	190	174	52
Payments											
Repayment of borrowing		(329)	(343)	(343)	(343)	(343)	(343)	(343)	(343)	(343)	(343)
NET CASH FROM/(USED) FINANCING ACTIVITIES		2 449	(223)	(287)	(183)	(9)	(9)	(9)	(153)	(169)	(291)
NET INCREASE/ (DECREASE) IN CASH HELD		622	3 390	22 940	1 763	(15 037)	(15 037)	(15 037)	(3 162)	4 011	1 781
Cash/cash equivalents at the year begin:	2	33 536	34 158	37 548	60 488	60 488	60 488	60 488	45 451	42 289	46 300
Cash/cash equivalents at the year end:	2	34 158	37 548	60 488	62 251	45 451	45 451	45 451	42 289	46 300	48 081

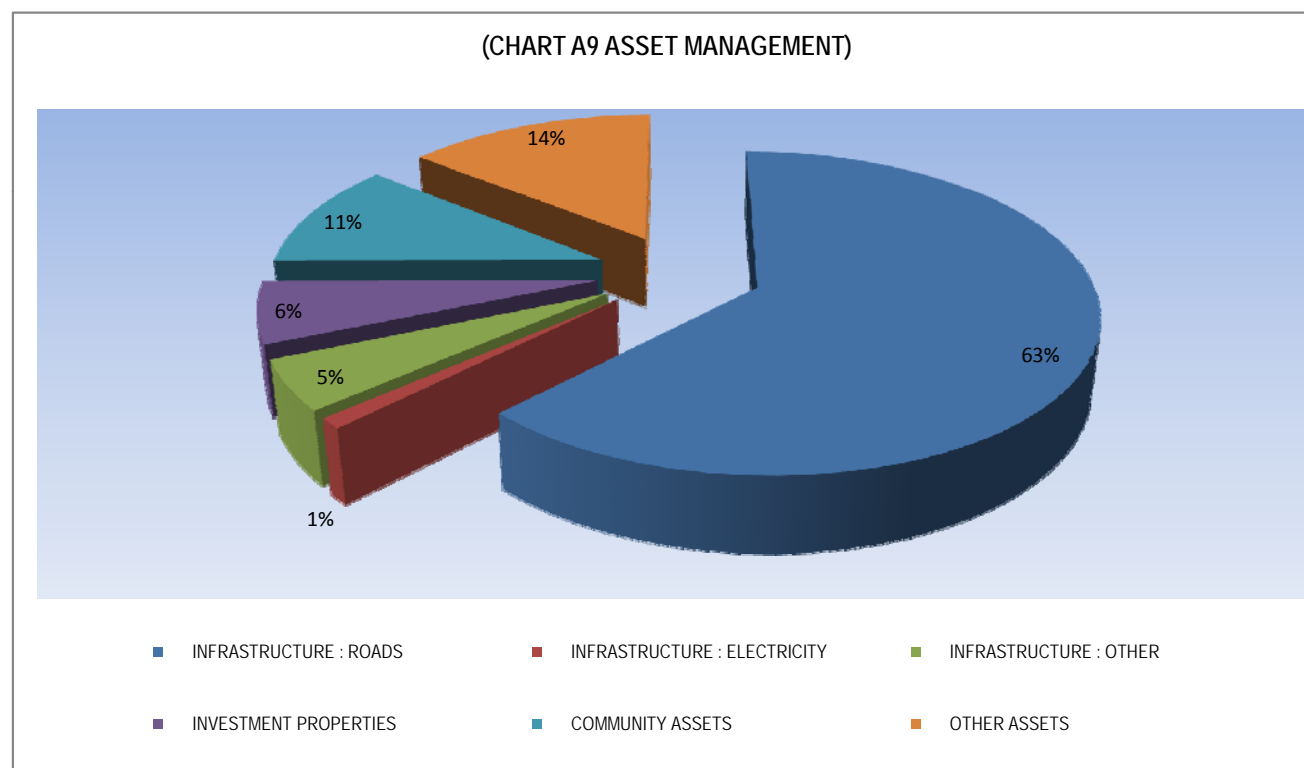
KZN284 uMlalazi - Table A8 Cash backed reserves/accumulated surplus reconciliation

K21204-0014021 - Table A0: Cash backed reserve/accumulated surplus reconciliation											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	34 158	37 548	60 488	62 251	45 451	45 451	45 451	42 289	46 300	48 081
Other current investments > 90 days		(13 001)	(1)	-	(42 577)	-	-	-	-	-	-
Non current assets - Investments	1	1	1	1	1	1	1	1	1	1	1
Cash and investments available:		21 158	37 549	60 489	19 675	45 452	45 452	45 452	42 290	46 301	48 082
<u>Application of cash and investments</u>											
Unspent conditional transfers		16 032	5 927	13 826	4 564	15 209	15 209	15 209	14 529	13 690	12 580
Unspent borrowing		5 828	5 485	5 142	4 799	4 799	4 799	4 799	4 456	4 113	3 770
Statutory requirements	2	1 547	513	880	1 100	1 100	1 100	1 100	1 000	750	700
Other working capital requirements	3	(13 248)	(11 818)	(11 243)	(15 486)	(4 539)	(4 539)	(4 539)	(4 793)	68	1 180
Other provisions		820	841	842	870	870	870	870	860	891	910
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	13 519	12 133	10 532	15 268	25 662	25 662	25 662	24 791	24 474	26 300
Total Application of cash and investments:		24 498	13 081	19 979	11 115	43 101	43 101	43 101	40 843	43 986	45 440
Surplus(shortfall)		(3 340)	24 468	40 510	8 560	2 351	2 351	2 351	1 447	2 315	2 642

KZN284 uMlalazi - Table A9 Asset Management

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CAPITAL EXPENDITURE											
Total New Assets		1	22 052	23 552	26 436	31 725	37 914	37 914	37 078	34 768	39 450
Infrastructure - Road transport			6 417	17 067	16 687	17 833	20 661	20 661	22 172	16 129	5 974
Infrastructure - Electricity			1 463	347	437	1 003	1 229	1 229	380	1 370	1 600
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			4 593	813	63	7 727	10 371	10 371	2 857	9 736	14 548
Infrastructure			12 473	18 226	17 187	26 563	32 267	32 267	25 409	27 235	22 122
Community			5 362	3 086	5 048	3 400	3 800	3 800	5 940	6 026	15 459
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			1 866	800	-	-	-	-	3 250	-	-
Other assets		6	2 351	1 439	4 202	1 762	1 853	1 853	2 479	1 507	1 869
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets		2	1 357	1 907	7 234	14 251	16 330	16 330	23 598	24 249	25 119
Infrastructure - Road transport			866	1 060	6 024	9 920	12 063	12 063	15 769	15 892	18 999
Infrastructure - Electricity			85	140	-	140	119	119	270	1 343	260
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	130	-	130	130	130	220	-	-
Infrastructure			951	1 330	6 024	10 190	12 312	12 312	16 259	17 235	19 259
Community			184	230	1 210	1 015	1 015	1 015	665	3 500	305
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	550	-	-
Other assets		6	223	347	-	3 046	3 003	3 003	6 124	3 513	5 555
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Capital Expenditure		4	7 283	18 126	22 711	27 753	32 724	32 724	37 941	32 021	24 973
Infrastructure - Road transport			1 548	487	437	1 143	1 348	1 348	650	2 713	1 860
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			4 593	943	63	7 857	10 501	10 501	3 077	9 736	14 548
Infrastructure			13 424	19 556	23 217	36 753	44 573	44 573	41 668	44 470	41 387
Community			5 546	3 316	6 258	4 415	4 815	4 815	6 605	9 526	15 764
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			1 866	800	-	-	-	-	3 800	-	-
Other assets			2 574	1 786	4 202	4 808	4 856	4 856	8 603	5 020	7 424
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		2	23 409	25 458	33 670	45 976	54 244	54 244	60 676	59 017	64 569
ASSET REGISTER SUMMARY - PPE (WDV)											
Infrastructure - Road transport		5	192 154	212 208	224 050	189 106	189 106	189 106	189 106	189 106	189 106
Infrastructure - Electricity			40 984	39 798	40 188	41 236	39 798	39 798	39 798	39 798	39 798
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			24 529	-	-	-	-	-	-	-	-
Infrastructure			257 667	252 006	264 238	230 342	228 904	228 904	228 904	228 904	228 904
Community			51 276	52 594	49 804	52 294	52 294	52 294	52 294	52 294	52 294
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			8 601	9 401	10 316	11 001	11 116	11 116	11 926	12 746	13 576
Other assets			122 400	133 271	141 978	143 816	148 985	148 985	159 242	168 188	171 377
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			49	46	63	66	73	73	83	93	108
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	439 993	447 319	466 399	437 519	441 372	441 372	452 449	462 225	466 259
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment		3	7 037	7 548	8 056	8 547	8 459	8 459	8 932	9 415	9 923
Repairs and Maintenance by Asset Class			5 505	10 013	10 541	10 988	13 598	13 598	15 639	18 336	19 626
Infrastructure - Road transport			2 043	4 227	4 284	5 697	9 092	9 092	9 258	10 191	10 780
Infrastructure - Electricity			1 092	1 082	1 328	1 415	1 515	1 515	1 611	1 709	1 815
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			492	630	797	758	749	749	827	893	966
Infrastructure			3 627	5 938	6 409	7 870	11 356	11 356	11 696	12 793	13 567
Community			1 428	3 405	3 510	2 121	2 229	2 229	2 565	4 059	4 469
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	47	-	-	-	56	59	62
Other assets		6, 7	450	670	575	997	13	13	1 323	1 426	1 534
TOTAL EXPENDITURE OTHER ITEMS			12 542	17 561	18 597	19 535	22 057	22 057	24 571	27 751	29 549
Renewal of Existing Assets as % of total capex											
			5.8%	7.5%	21.5%	31.0%	30.1%	30.1%	38.9%	41.1%	38.9%
Renewal of Existing Assets as % of deprecn"											
			19.3%	25.3%	89.8%	166.7%	193.1%	193.1%	264.2%	257.6%	253.1%
R&M as a % of PPE											
			1.3%	2.3%	2.2%	2.5%	2.7%	2.7%	3.2%	3.7%	3.7%
Renewal and R&M as a % of PPE											
			2.0%	3.0%	4.0%	6.0%	7.0%	7.0%	9.0%	9.0%	10.0%

CHART A9 ASSET MANAGEMENT	
2014/2015BUDGET MTREF	
DESCRIPTION	BUDGET YEAR 2014/2015 R'000
ASSET REGISTER SUMMARY	
INFRASTRUCTURE : ROADS	37 941 000
INFRASTRUCTURE : ELECTRICITY	650 000
INFRASTRUCTURE : OTHER	3 077 000
INVESTMENT PROPERTIES	3 800 000
COMMUNITY ASSETS	6 605 000
OTHER ASSETS	8 604 000
TOTAL CAPITAL EXPENDITURE	60 677 000



KZN284 uMlalazi - Table A10 Basic service delivery measurement

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets									
Energy:									
Electricity (at least min.service level)	1 552		528	695	528	528	440	440	440
Electricity - prepaid (min.service level)	4 340		3 630	334	3 630	3 630	3 756	3 756	3 756
Minimum Service Level and Above sub-total	5 892	–	4 158	1 029	4 158	4 158	4 196	4 196	4 196
Electricity (< min.service level)									
Electricity - prepaid (< min. service level)									
Other energy sources	583		706	704	706	706	726	726	726
Below Minimum Service Level sub-total	583	–	706	704	706	706	726	726	726
Total number of households	6 475	–	4 864	1 733	4 864	4 864	4 922	4 922	4 922
Refuse:									
Removed at least once a week			4 751	4 450	4 751	4 751	4 609	4 609	4 609
Minimum Service Level and Above sub-total	–	–	4 751	4 450	4 751	4 751	4 609	4 609	4 609
Removed less frequently than once a week									
Using communal refuse dump									
Using own refuse dump									
Other rubbish disposal									
No rubbish disposal									
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	–	–	4 751	4 450	4 751	4 751	4 609	4 609	4 609
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)									
Sanitation (free minimum level service)									
Electricity/other energy (50kwh per household per month)	2 745	2 705	2 762	2 844	2 762	2 762	2 767	2 767	2 767
Refuse (removed at least once a week)	997	991	1 123	994	1 123	1 123	1 094	1 094	1 094
Cost of Free Basic Services provided (R'000)									
Water (6 kilolitres per household per month)									
Sanitation (free sanitation service)									
Electricity/other energy (50kwh per household per month)	35	32	37	37	37	37	37	40	44
Refuse (removed once a week)	85	94	116	112	116	116	129	136	144
Total cost of FBS provided (minimum social package)	120	126	153	149	153	153	166	176	188
Highest level of free service provided									
Property rates (R value threshold)	50	75	75	75	75	75	75	75	75
Water (kilolitres per household per month)									
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)									
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)									
Revenue cost of free services provided (R'000)									
Property rates (R15 000 threshold rebate)	984	740	754	753	754	754	716	744	799
Property rates (other exemptions, reductions and rebates)	11 314	8 307	9 957	9 225	9 957	9 957	10 991	11 524	12 237
Water									
Sanitation									
Electricity/other energy	869	1 048	1 095	1 197	1 095	1 095	1 198	1 271	1 350
Refuse	807	1 087	1 396	1 307	1 396	1 396	1 551	1 635	1 724
Municipal Housing - rental rebates									
Housing - top structure subsidies									
Other									
Total revenue cost of free services provided (total social package)	13 974	11 182	13 202	12 482	13 202	13 202	14 456	15 174	16 110

5. OVERVIEW OF ANNUAL BUDGET PROCESS

5.1 Process to prepare the budget

The budget and IDP process occurred according to the budget timetable approved by Council in August 2012. The Budget and MTREF was also prepared taking cognizance of the contents of the LG: MFMA, Act No. 56 of 2003, Circular No.58 and the LG: MFMA Budget Formats Guide received from National Treasury.

5.2 Service Delivery and Budget Implementation Plan

Section 1 of the Local Government: Municipal Finance Management Act (No.56 of 2003) defines the SDBIP as:

- “ a detailed plan approved by the mayor of a municipality in terms of section 53 (1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:
- (a) projections for each month of-
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
 - (b) service delivery targets and performance indicators for each quarter”.

The municipal manager is responsible for the preparation of the SDBIP, which must be legally submitted to the mayor for approval once the budget has been approved by the council (around end-May or early-June). However, the municipal manager should start the process to prepare the top-layer of the SDBIP no later than the tabling of the budget (around March or earlier) and preferably submit a draft SDBIP to the mayor by 1 May (for initial approval). Once the budget is approved by the Council, the municipal manager should merely revise the approved draft SDBIP, and submit for final approval within 14 days after the approval of the budget. The mayor should therefore approve the final SDBIP and performance agreements simultaneously, and then make the SDBIP and performance agreement of the municipal manager public within 14 days, preferably before 1 July. Note that it is only the top layer (of high-level) detail of the SDBIP that is required to be made public.

It is the output and goals made public in the SDBIP that will be used to measure performance on a quarterly basis during the financial year. Note that such in-year monitoring is meant to be a light form of monitoring. The council should reserve its oversight role over performance at the end of the financial year, when the mayor tables the annual report of the municipality. The in-year monitoring is designed to pick up major problems only, and aimed at ensuring that the mayor and municipal manager are taking corrective steps when any unanticipated problems arise. The SDBIP serves a critical role to focus both the administration and council on outputs by providing clarity of service delivery expectations, expenditure and revenue requirements, service delivery targets and performance indicators.

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councilors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnerships, service contracts and the like.

The Service Delivery and Budget Implementation Plan (SDBIP) for the 2014/2015 budget year, is included in section 14 of this document.

5.3 Review of Integrated Development Plan (IDP)

Hereunder follows the summary of the IDP process:

MONTH	ACTIVITIES		
	IDP	PMS	BUDGET
July	<p>Submit draft 2014/2015 Process Plan to COGTA for assessment and approval by MEC.</p> <p>District adopts a binding framework for IDP Process Plan in the area as a whole ensuring alignment of the IDP process plan of the district and various local municipalities, MSA s 27.</p> <p>Development of IDP Process Plan that guide the planning, drafting, adoption and review of the plan, MSA s 28.</p>	<p>Mayor to ensure that performance agreements comply with MFMA and Municipal Systems Act Regulations to promote sound financial management.</p> <p>Mayor to ensure that agreements are linked to the measurable performance objectives approved with the budget and service delivery implementation plan.</p> <p>Mayor to ensure performance agreements submitted to Council and MEC for local government in the province.</p> <p>Final 2012/2013 Section 57 Managers' Performance Assessments.</p> <p>Quarterly Audit Committee meeting (for the last quarter of 2012/2013) MFMA Sect 166 & MPPR Reg. 14(3)(a).</p> <p>Special Audit Committee meeting (for evaluation of s 57 Managers final assessments) MPPR Reg. 14(3)(b).</p>	<p>Chief Financial Officer discusses the 2014/2015 budget process with the Directors and Managers .</p> <p>Municipal Manager and Heads of Departments review options and contracts for service delivery, MSA s 76-81.</p> <p>Municipal Manager establishes committees and consultation forums (internal and external) for the budget process.</p>
August	<p>Consider proposals received from MEC, if any, MSA s 32.</p> <p>Consider comments received from Councillors, Ward Committees and other various roleplayers during the 2013/2014 IDP Review Roadshows and 2013/2014 Budget Planning.</p> <p>Workshop the entire Process Plan with Council.</p> <p>IDP Review Process Plan tabled at MANCO, EXCO and Council for final approval.</p> <p>Give notice to local community of particulars of the Process Plan, MSA s28. (The advert will come out in the first week of September 2013).</p>	<p>Quarterly SDBIP Report (for last quarter of 2012/2013) MPPR Reg. 14.</p> <p>Submit OPMS of the municipality to Auditor – General.</p>	<p>Submit financial statements of the municipality to Auditor - General, MFMA Sec 126(1)(a).</p>

September	<p>Hold a self-assessment Dialogue to review performance of the municipality and determine shortcomings and weaknesses.</p> <p>Integration of information into IDP where necessary including incorporation of Service Plans from Heads of Departments.</p> <p>Initiate the process of reviewing Spatial Development Framework.</p> <p>Updating and review of the strategic elements of the SDF in line with the EXCO focus.</p> <p>Public consultation in terms of CBP continues.</p> <p>Refinement of Statutory Plans initiated by Heads of Departments.</p>	Auditor General audit of performance measures	<p>Budget office issues 5 year capital programme to Mayor and Directors for amendments .</p> <p>Chief Financial Officer holds workshop with senior management to review the prioritization model to be used to compile the capital budget .</p> <p>Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads,</p>
October	<p>Continue with integration of information from Service Plans into the IDP.</p> <p>EXCO uThungulu to review and update the IDP Vision, Objectives and Strategies.</p> <p>Setting new strategic agenda for the IDP in light of the new focus of Council.</p> <p>Initiate the process of reviewing Spatial Development Framework.</p> <p>Community based planning launched.</p> <p>Engage in a process of developing ward plans in line with MTREF.</p> <p>Updating and review of the strategic elements of the SDF in line with the EXCO focus.</p>	Sect 57 Managers' quarterly Performance Assessments (for first quarter of 2013/2014)	<p>Budget office issues blank Operating budget to Mayor and Senior Managers to be used as working documents .</p> <p>Chief Financial Officer issues the 2014/2015 multi-year guideline addressing various budget assumptions, internal budget processes, policies etc .</p> <p>Municipal Manager does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials, MFMA s 35, 36, 42; MTBPS</p> <p>Chief Financial Officer obtains allocations from National and Provincial departments in term of the Draft Division of Revenue Bill.</p> <p>Budget requests from Councillors/ ward committees, fully supported within the IDP document, be submitted to the Municipal Manager in order for the relevant Director to determine the financial and operational impacts of such requests.</p>

November	<p>Continue with integration of information from Service Plans, Statutory Plans into the IDP.</p> <p>Initiate the process of reviewing Spatial Development Framework.</p> <p>Confirming municipal priority areas for the next 5 years.</p> <p>High level programmes from all wards integrated into IDP.</p> <p>Refining municipal Strategies, Objectives, KPA's, KPI's and targets so as to influence the budget.</p> <p>Set and agree on three IDP priority projects.</p> <p>Stakeholder Forum to refine, amend and/or confirm the above.</p> <p>Municipal Manager reviews and drafts initial changes to IDP, MSA s34.</p>	<p>Quarterly SDBIP Report (for first quarter of 2013/2014), MPPR Reg. 14.</p> <p>Quarterly Audit Committee meeting (for the first quarter of 2013/2014), MFMA Sect 166 & MPPR Reg. 14(3)(a).</p> <p>Compile annual report for 2012/2013, MFMA s121.</p>	<p>Chief Financial Officer discusses with Directors/ Managers the draft capital projects for the 2014/2015 multi-year budget .</p> <p>Auditor-General to return audit report MFMA 126(3).</p> <p>Submission of the draft 5 year capital programme according to the Council's strategic objectives, as set out in the Integrated Develop Plan.</p> <p>Submission of the draft operating estimates for the 2014/2015 multi- year budget, analysed according to activities aligned to the Council's strategic objectives, as set in the Integrated Development Plan.</p> <p>Directors to submit business plans for their department's Equitable Share grant allocations spending for the 2014/2015 budget year.</p>
----------	---	---	--

December	<p>Institutional plan refined to deliver on the municipal strategy. Horizontal and vertical alignment with District, Province and other stakeholders begins.</p> <p>Directorates identifying programmes and projects with external stakeholders.</p> <p>Financial Plan and Capital Investment Plan are developed.</p>		<p>Council finalises tariff (rates and service charges) policies for next financial year, MSA s 74, 75.</p> <p>On receipt of the audit report, the Municipal Manager must address issues raised by the Auditor-General and prepare action plans to address issues and include these in the annual report, MFMA s131(1).</p> <p>Municipal Manager and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year performance as per audited financial statements.</p> <p>Directors to perform a mid-year financial review on the current year's (2013/2014) budget and revise estimates to submit an Adjustments budget to Council if considered necessary .</p>
January	<p>Horizontal and vertical alignment with District, Province and other stakeholders continues.</p> <p>Directorates identifying programmes and projects with external stakeholders.</p> <p>Capital Investment and Financial Plans refined.</p>	<p>Prepare service delivery and budget implementation plans linked to the IDP strategies, objectives, KPI's and targets.</p> <p>Annual Customer Satisfaction survey (to be consolidated to 2012/2013 annual report), MSA s 40.</p> <p>Mayor tables annual report for 2012/ 2013, MFMA Sect127 (2).</p> <p>Make public annual report and invite community inputs into report (MFMA s127 & MSA s 21a).</p> <p>s 57 Managers' quarterly Performance Assessments (for second quarter of 2013/2014).</p>	<p>Chief Financial Officer discusses the draft operating and capital estimates for the 2014/2015 multi-year budget with Directors.</p> <p>Submission of adjustments budget, mid-year budget and performance assessment report to Budget Steering Committee.</p> <p>Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January), MFMA s 36.</p> <p>Submission of adjustments budget, mid-year budget and performance assessment report to Budget Steering Committee.</p> <p>Directors submit cash flow projections for the 2014/2015 capital projects.</p>

March	<p>Finalise Capital Investment Plan and Financial Plans.</p> <p>Conclusion of Service Plans and integration into the IDP document.</p> <p>Tabling of draft IDP to Council (Municipal Manager).</p> <p>Publication of the tabled IDP, budget, plans and invitation to local community and stakeholders for comments and inputs and submission to National and Provincial treasuries.</p>	<p>Council to consider and adopt an oversight report, due by 31 March, MFMA Sec 129(1).</p> <p>Set performance objectives for revenue for each budget vote, MFMA s 17.</p> <p>Tabling of draft SDBIP for 2014/2015 budget year.</p>	<p>Submit draft Capital and Operating estimates for the 2014/2015 budget year to Budget Steering Committee.</p> <p>Tabling of draft 2014/2015 multi - year budget to Council.</p> <p>Municipal Manager reviews any changes in prices for bulk resources as communicated, MFMA s 42.</p>
April	<p>Publication of the tabled draft IDP and invitation to local community and stakeholders for comments and inputs and submission to National and Provincial treasuries .</p> <p>Portfolio Committee and Council Hearings launched through series of public representations by community and stakeholders on the IDP.</p>	<p>Refinement of Municipal Strategies, Objectives, KPA's, KPI's and targets and inclusion into 2014/2018 IDP report.</p> <p>S57 Managers' Quarterly Performance Assessments (for third quarter of 2013/2014).</p> <p>Tabled draft 2014/2015 SDBIP in both printed and electronic format to National and Provincial Treasury within 10 working days after being approved by Council .</p> <p>Make public Oversight Report within seven day of adoption, MFMA Sec 129(3) and s 21A MSA.</p> <p>Within seven days of adoption of Oversight Report submit to the Provincial Legislature/MEC Local Government the annual report and the oversight reports on those annual reports, MFMA Sec 132(2).</p>	<p>Make public the tabled draft budget and supporting documentation within 10 working days after being approved by Council.</p> <p>Tabled draft 2014/2015 multi-year budget in both printed and electronic format to National and Provincial Treasury within 10 working days after being approved by Council.</p> <p>Undertake a 4 week community consultation process of the draft budget.</p> <p>Chief Financial Officer revise the draft budget from inputs received from the community, National and Provincial Treasury, if required.</p>

May	<p>IDP Budget Conference to consider the revisions and amendments to the IDP.</p> <p>Consultative Workshop with the entire Council on the final draft IDP.</p> <p>EXCO recommends adoption of the IDP to Council.</p> <p>Council sitting to approve IDP.</p>	<p>Quarterly SDBIP Report (for third quarter of 2013/2014) MPPR Reg. 14</p> <p>Quarterly Audit Committee meeting (for third quarter of 2013/2014), MFMA s 166 & MPPR Reg. 14(3) (a).</p> <p>Annual review of organizational KPIs, MPPR Reg. 11.</p> <p>Review annual organizational performance targets, MPPR Reg. 11.</p> <p>Revised budget SDBIP tabled at Council for approval .</p>	<p>Submit revised 2014/2015 multi-year budget to Budget Steering Committee.</p> <p>Revised budget, incorporating inputs received from community, National and Provincial Treasury, tabled at Council for approval.</p>
June	<p>Municipal Manager prepares the IDP process plan and timetable for the 2015/2016 budget year .</p> <p>Council approval of the 2015/2016 IDP process and timetable.</p>	<p>Publish the approved SDBIP for the 2014/2015 budget year .</p> <p>Make public the tabled SDBIP and supporting documentation within 10 working days after being approved by Council .</p> <p>Approved 2014/2015 SDBIP in both printed and electronic format to National and Provincial Treasury within 10 working days after being approved by Council .</p> <p>Municipal Manager submits draft performance agreements to Mayor no later than 14 days after approval of budget, s69 of the MFMA and s57 of the MSA.</p> <p>Council approval of the 2015/2016 performance process and timetable.</p>	<p>Chief Financial Officer prepares the budget process plan and timetable for the 2015/2016 multi-year budget.</p> <p>Publish the approved budget and tariffs for the 2014/2015 budget year</p> <p>Make public the tabled budget and supporting documentation within 10 working days after being approved by Council.</p> <p>Approved 2014/2015 multi-year budget in both printed and electronic format to National and Provincial Treasury within 10 working days after being approved by Council.</p> <p>Council approval of the 2015/2016 multi-year budget process and timetable.</p>

5.4 Consultation process

The proposed consultation meetings with the community are scheduled as follows:

Day/Date	Time	Venue	Ward
Wednesday, 26 March 2014	17:30	Gingindlovu Community Hall	18
Sunday, 30 March 2014	14:00	Sunnydale Community Hall	11
Sunday, 06 April 2014	11:00	Kwa-Khoza Tribal Court	15
Saturday, 12 April 2014	11:00	Obanjeni Community Hall	20
Sunday, 20 April 2014	11:00	Ngudwini Community Hall	05

5.5 Schedule of key deadlines

Hereunder is the schedule of key deadlines that was approved by Council in June 2013,

MONTH	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBLE BODY	EFFECTIVE DATE
July 2013	<ul style="list-style-type: none"> Discussion with Directors and Managers on the 2014/2015 budget process. Submit draft 2014/2015 Process Plan to COGTA for assessment and approval by MEC. Establishing of forums and committees (internal) and external) for consultation on budget and IDP process. 	<ul style="list-style-type: none"> Chief Financial Officer Municipal Manager Municipal Manager/ Directors 	<ul style="list-style-type: none"> 08 July 2013 09 July 2013 During July 2013
August 2013	<ul style="list-style-type: none"> Submit 2012/2013 Draft Financial Statements and Organizational Performance Management System (OPMS) to Auditor- General. 	<ul style="list-style-type: none"> Chief Financial Officer/ Municipal Manager 	<ul style="list-style-type: none"> 30 August 2013
September 2013	<ul style="list-style-type: none"> Issuing of 5 year Capital Programme to Mayor and Directors for amendments Workshop with Senior Management in order to review the prioritization model to be used to compile the capital budget. Council approval of the 2014/2015 IDP Process Plan 	<ul style="list-style-type: none"> Chief Financial Officer Chief Financial Officer Municipal Manager 	<ul style="list-style-type: none"> 02 September 2013 02 September 2013 25 September 2013

October 2013	<ul style="list-style-type: none"> • Issuing of blank Operating Budget to Mayor and Senior Managers to be used as working documents. • Issuing of the 2014/2015 Multi-year guideline addressing various budget assumptions, internal budget processes, policies etc. • Public information meetings (divided into the established clusters), reviewing and strategizing the current Integrated Development Plan • Obtain allocations to municipalities from National and Provincial Governments in terms of the Draft Division of Revenue Bill. • Budget requests from Councilors/ward committees, fully supported within the IDP document, be submitted to the Municipal Manager in order for the relevant Director to determine the financial and operational impacts of such requests. 	<ul style="list-style-type: none"> • Chief Financial Officer • Chief Financial Officer • Municipal Manager • Chief Financial Officer • Municipal Manager/ Councilors/Relevant Directors 	<ul style="list-style-type: none"> • 07 October 2013 • 07 October 2013 • During October • 31 October 2013 • 31 October 2013
November 2013	<ul style="list-style-type: none"> • Discussions with Directors/ Managers on the Draft Capital projects for the 2014/2015 Multi –year budget. • Information sharing meeting/session with all sector departments and neighboring local municipalities to ensure that synergy occurs on all levels between the various local IDP documents and to align with the IDP review document of the District Municipality to achieve more support on the regional scale. • Submission of the public participation report to the Mayor • Submission of the Draft 5 year Capital Programme according to the Council's strategic objectives as set out in the Integrated Development Plan. • Submission of the Draft Operating estimates for the 2014/2015 Multi-year budget, analyzed according to activities aligned to the Council's strategic objectives, as set out in the Integrated Development Plan • Submission of business plans for Equitable Share grant allocations spending for the 2014/2015 budget year 	<ul style="list-style-type: none"> • Chief Financial Officer • Municipal Manager • Municipal Manager • Directors • Directors • Directors 	<ul style="list-style-type: none"> • 04 November 2013 • 14 November 2013 • 15 November 2013 • 29 November 2013 • 29 November 2013 • 29 November 2013

December 2013	<ul style="list-style-type: none"> Perform a mid-year financial review on the current year's (2013/2014) budget and revised estimates to submit an Adjustments budget to Council if considered necessary Alignment of the Draft Capital estimates to the IDP 	<ul style="list-style-type: none"> Directors Directors 	<ul style="list-style-type: none"> 13 December 2013 13 December 2013
January 2014	<ul style="list-style-type: none"> Discuss with Directors on the Draft Operating estimates for the 2014/2015 Multi year budget Alignment of the Draft Operating estimates to IDP Submit 2012/2013 Annual Report to Council Submit adjustments budget, mid-year budget and performance assessment report to Council. Submission of cashflow for 2014/2015 capital expenditure and draft SDBIP for the 2014/2015 budget year. 	<ul style="list-style-type: none"> Chief Financial Officer Directors Municipal Manager Municipal Manager/ Chief Financial Officer Directors 	<ul style="list-style-type: none"> 13 January 2014 13 January 2014 21 January 2014 21 January 2014 31 January 2014
February 2014	<ul style="list-style-type: none"> Submit to National and Provincial Treasury in both printed and electronic form the adjustments budget, mid-year budget and performance assessment within 10 working days of Council meeting. Make public the adjustments budget, mid-year budget and performance assessment report by placing it on the municipal website. Discussions with Directors on the Draft Capital and Operating estimates for the 2014/2015 Multi-year budget. Discussions with Directors on the Draft Service Delivery and Budget Implementation Plan for the 2014/2015 budget year. 	<ul style="list-style-type: none"> Municipal Manager Municipal Manager Chief Financial Officer Chief Financial Officer 	<ul style="list-style-type: none"> 04 February 2014 04 February 2014 17 February 2014 18-21 February 2014

March 2014	<ul style="list-style-type: none"> Discussions with Budget Steering Committee on the Draft Capital and Operating estimates for the 2014/2015 Multi-year budget. Submit Draft 2014/2015 Multi-year budget, Draft IDP and Draft Service Delivery and Budget Implementation Plan to Council. 	<ul style="list-style-type: none"> Municipal Manager/ Chief Financial Officer Chief Financial Officer 	<ul style="list-style-type: none"> 11 March 2014 25 March 2014
April 2014	<ul style="list-style-type: none"> Make public the tabled draft budget and supporting documentation within 10 working days after being approved by Council. Tabled Draft 2014/2015 Multi-year budget, Draft IDP and Draft Service Delivery And Budget Implementation Plan in both printed and electronic format to National and Provincial Treasury within 10 working days after being approved by Council . Undertake a 4 week community consultation process of the budget Discussions with Budget Steering Committee on the revised 2014/2015 Multi-year budget. Revision of the budget and IDP from inputs received from the community, Government departments and National Treasury, if required. 	<ul style="list-style-type: none"> Municipal Manager Municipal Manager Mayor/ Municipal Manager And Directors Municipal Manager/ Chief Financial Officer Chief Financial Officer 	<ul style="list-style-type: none"> 08 April 2014 08 April 2014 During April 2014 30 April 2014 30 April 2014
May 2014	<ul style="list-style-type: none"> Informal discussions with Exco on the 2014/2015 Multi-year budget. Revised budget, IDP and Service Delivery And Budget Implementation Plan, incorporating community inputs, tabled at Council for approval. 	<ul style="list-style-type: none"> Municipal Manager/ Chief Financial Officer Mayor 	<ul style="list-style-type: none"> 07 May 2014 27 May 2014

June 2014	<ul style="list-style-type: none"> • Preparation of the IDP and budget process plan and timetable for the 2015/2016 multi-year budget. • Publish approved budget and tariffs for the 2014/2015 budget year. • Make public the approved budget and supporting documentation within 10 working days after being approved by Council, by placing it on the municipal website. • Approved 2014/2015 Multi-year budget, IDP and Service Delivery and Budget Implementation Plan both printed and electronic format to National and Provincial Treasury within 10 working days after being approved by Council. • Council approval of the 2015/2016 IDP and Multi-year budget process and timetable 	<ul style="list-style-type: none"> • Chief Financial Officer and Municipal Manager • Corporate Services • Municipal Manager • Municipal Manager • Chief Financial Officer 	<ul style="list-style-type: none"> • 02 June 2014 • 05 June 2014 • 12 June 2014 • 12 June 2014 • 24 June 2014
-----------	--	--	--

6. Overview of alignment of annual budget with Integrated Development Plan

6.1 Hereunder follows the strategic plan to be included in the draft IDP

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT								
GOAL	STRATEGY REF.	STRATEGY	OBJ REF.	OBJECTIVES	MEASURE (SMART)	TARGET DATE	BUDGET	ACCOUNTABILITY
1.1 Institutional development & Municipal Transformation	1.1.1	To implement the approved organisational structure	1.1.1.1	Fill all funded vacant posts in the organogram	% of vacant posts filled	2015/16	R18 000 000	Municipal Manager Human Resources
			1.1.1.2	Complete outstanding job descriptions for newly established posts in terms of task	% of outstanding job descriptions	2015/16		
			1.1.1.3	Identify critical posts : <ul style="list-style-type: none"> • Supply Chain • PMU • Contract Management • Planning • Human Resources • Internal Audit • Legal • Creditor Control 	No of critical posts identified and adopted by LLF	2014/15		Human Resources
	1.1.2	To attract and retain scarce skilled staff	1.1.2.1	Identify scarce skills posts	No of scarce skills posts identified and adopted by LLF	2014/15		Municipal Manager / Human Resources
			1.1.2.2	Develop a succession plan	Plan developed and adopted by Exco	2015/16		Human Resources / ALL
			1.1.2.3	Implement Internship programme	Appointment of interns in terms of policy	2014/15	R240 000	Human Resources
			1.1.2.4	Implement learnership programme	Reports to Portfolio on implementation of learnership programme			Human Resources / ALL
			1.1.2.5	Support in-service training	Report to LLF on number of in-service training opportunities provided per annum	2014/15		Human Resources
	1.1.3	To improve Contract Management	1.1.3.1	Conduct needs assessment for use of Service Providers	Needs assessment conducted and reported to Exco	2014/15		Engineers (C &E)
			1.1.3.2	Develop policy on the management of Service Providers	Policy Developed and adopted	2014/15		Corporate

	1.1.4	To provide adequate training and development to staff & councillors	1.1.4.1	Undertake training for staff as per skills development plan.	No of trainings provided and % budget expended	2014/15		Human Resources
			1.1.4.2	Undertake training for Councillors as per skills development plan	No of trainings provided and % budget expended	2014/15		Human Resources
	1.1.5	To improve ICT Systems within the organisation	1.1.5.1	Carry out Audit on current computer and software requirements, including data management	Audit complete and aligned to budget	2014/15	R48 620	Finance
			1.1.5.2	Identify and address critical shortcomings in terms of technology and operating systems and standardize	Report on technology and alignment of requirements to budget	2014/15	R75 050	Finance / Corporate
			1.1.5.3	Employment of IT Officer to improve capacity and functionary areas of IT	Appointment of IT Officer	2015/16	R326 170	Finance
KPA 2: SERVICE DELIVERY								
GOAL	STRATEGY REF.	STRATEGY	OBJ REF.	OBJECTIVES	MEASURE (SMART)	TARGET DATE	BUDGET	ACCOUNTABILITY
2.1 To address Backlogs in Service Delivery	2.1.1	To facilitate the provision of potable water and sanitation	2.1.1.1	Facilitate with uThungulu to ensure alignment of water and sanitation provisioning to all Municipal Capital and other large scale Projects	No of projects aligned to WSDP and reports to Portfolio	2014/15		Engineers (C)
	2.1.2	To facilitate and implement Electricity provision in all areas	2.1.2.1	Facilitate the upgrading of Eskom Power Supply to improve capacity to Eshowe	No of upgrades complete	2014/15	R5 537 000	Engineering (E)
			2.1.2.2	Improve electricity capacity for King Dinuzulu	Capacity % increase	2014/15	R220 000	Engineering (E)
			2.1.2.3	Investigate and implement green energy programmes in relation to energy saving projects such as solar water geysers	No of energy saving programmes implemented and reports to portfolio	2014/15	R48 420	Engineering (E)
			2.1.2.4	Conduct meetings with Eskom to ensure alignment of energy provisioning to Municipal Capital Projects	No of meetings held	2014/15	R21 350	Engineering (E)

			2.1.2.5	Facilitate the provision of Free Electricity Services	% free basic services provided	2014/15	R1 342 650	Finance
			2.2.2.6	Audit and Replacement of existing conventional meters	No of meters replaced	2014/15		Engineering (E)
	2.1.3	To ensure the roll-out of waste management services in rural areas, and the provision of recycling facilities at appropriate locations	2.1.3.1	Expand 'Food for Waste' and "War against Poverty" programmes into all wards	No of Wards where programme is functional	2014/15	R1 200 000	Engineers (C)
			2.1.3.2	Conduct feasibility study for recycling facilities and buy back centres in order to create jobs	Complete study	2014/15	R29 920	Engineers (C)
			2.1.3.3	Investigate waste transfer station services in rural areas	Complete and report on investigation	2014/15	R29 920	Engineers (C)
			2.1.3.4	Ensure Service Provider is conducting training and awareness programmes on waste recycling facilities	Include as condition in contract – No of reports	2014/15		
	2.1.4	To ensure the provision and maintenance of municipal roads, sidewalks and causeways	2.1.4.1	Implementation of Pavement Management System for municipal roads, sidewalks and Stormwater	No of reports	2014/15	R3 464 560	Engineers (C)
			2.1.4.2	Implement rural roads programme with the hired graders	% of budget spent	2014/15	R4 612 800	Engineers (C)
			2.1.4.3	Participate in development and implementation of Integrated Transportation Plan (District)	No of reports	2014/15	R18 600	Engineers (C)
			2.1.4.4	Prepare Municipal Integrated Transportation Plan	Prepare and adopt plan	2014/15	R9 040	Engineers (C)
			2.1.4.5	Implement Road Asset Management System	No of reports	2014/15	R9 680	Engineers (C)
	2.1.5	To provide commuter and trading shelters in urban areas and rural nodal points	2.1.5.1	Formalise the trading areas at Bus and Taxi Ranks in King DinuZulu and Gingindlovu	No of registered traders	2014/15	R550 000	MM
			2.1.5.2	Formalise land within Mtunzini for informal trading purposes	Identification of land	2014/15	R9 915	MM
			2.1.5.3	Provision of offices at King DinuZulu and Ging Bus and Taxi Rank	Office provision	2014/15	R216 580	MM
			2.1.5.4	Implement Strategy to address immediate informal trading challenges in urban areas (UNPACK with MENZI LED	Strategy implemented – No of reports	2014/15		

				OFFICER)				
			2.1.5.5	Identify nodal trading points within uMlalazi linked to the SDF	No of trading points identified	2014/15	R9 915	MM
2.2 To ensure that organisational facilities are provided and maintained, in order to ensure that the Municipality's development mandate can be met	2.2.1	Quality control of infrastructure projects in rural area	2.2.1.1	Strengthen PMU with technical officers (site inspections) to ensure quality and M & E	Appointment of technical offices	2014/15	R65 140	Engineers (C)
	2.2.2	To ensure that the Eshowe Testing Station is operated effectively and efficiently	2.2.2.1	Provide office equipment	% of budget expended	2014/15	R500 000	Protection
			2.2.2.2	Provide new Testing Station in Eshowe	% of budget expended, no of reports to portfolio	2014/15	R700 000	Protection
	2.3 To assist with natural disasters	2.3.1	To provide Fire Services for uMlalazi Municipal area	2.3.1.1	Acquire fire services vehicle for rural fire fighting services	% of budget expended	2014/15	Protection
				2.3.1.2	Facilitate functioning of rural satellite fire stations (Mbongolwane and KwaBulawayo)	Provide budget and report bimonthly to portfolio	2014/15	Protection
		2.3.2	Investigate the possible impact of Climate Change on the Municipal Area	2.3.2.1	Investigate adaption measures to deal with the impact of Climate Change	No of reports	2014/15	Community
				2.3.2.2	Investigate the possibility of expansion of existing the existing civic centre at Hutchinson Street	No of reports	2014/15	Engineers (C)

KPA 3: LOCAL ECONOMIC & SOCIAL DEVELOPMENT

GOAL	STRATEGY REF.	STRATEGY	OBJ REF.	OBJECTIVES	MEASURE (SMART)	TARGET DATE	BUDGET	ACCOUNTABILITY
3.1 To facilitate economic growth and development, in order to create decent employment and to fight the war against poverty	3.1.1	To attract investment into the municipal area	3.1.1.1	Prepare a marketing strategy to attract tourism and investment	Adopt Marketing Strategy	2014/15	(part of new appointments budget)	LED
	3.1.2	To contribute towards the development of the Tourism Sector	3.1.2.1	Implement LED Plan initiatives across municipal area	No of reports	2014/15	R216 580	LED
	3.1.3	To contribute towards the development of the mining sector	3.1.3.1	Facilitate in collaboration with the Department of Minerals and Energy and the Department of Environmental Affairs	No of meetings	2014/15		LED
	3.1.4	To promote skills development that is aligned with local economic growth	3.1.4.1	Identify skills required to support Local Economic growth and advise educational institutions to align training needs through the youth Advisory Business Centre	No of reports	2014/15	R200 000	LED
	3.1.5	To contribute towards the development of the Agricultural Sector	3.1.5.1	Establish partnership with the Dept of Agriculture and other stakeholders to prepare an agricultural plan	Preparation of plan	2014/15	R9 915	LED
			3.1.5.2	Support Agricultural Programmes such as Masibambisane for agricultural development	No of reports	2014/15	R11 350	LED
	3.1.6	To promote industrial development	3.1.6.1	Prepare Industrial Development Plan for Gingindlovu and Eshowe in collaboration with different stakeholders	Preparation of plan	2014/15	R100 000	Planning
	3.1.7	To promote the involvement and skills development of Women, Youth and the Disabled in	3.1.7.1	Develop database of women, youth and disabled community members requiring LED assistance	Database development	2014/15	R11 350	LED

		LED projects and activities	3.1.7.2	Facilitate skills development, with assistance from Dept Economic Development and Tourism, of people on database	No of reports			
	3.1.8	To promote Small Medium and Micro Enterprises ("SMME") Development	3.1.8.1	Facilitate Training and Capacity Building to SMMEs on Municipal Database	No of trainings conducted	2014/15	R600 000	LED
3.2 To ensure that social development is catered for	3.2.1	To encourage a healthy population	3.2.1.1	Revive local Aids Council	No of meetings	2014/15	R422 800	Community
			3.2.1.2	Fund Aids prevention projects through the Aids Council	% of budget expended	2014/15		
			3.2.1.3	Strengthen communication with the Department of Social Development - embrace SukumaSakhe	No of reports	2014/15	R32 920	Community
	3.2.2	To plan and support the acceleration of sustainable human settlements	3.2.2.1	Review Housing Sector Plan	Plan reviewed	2014/15	R25 620	Corporate
			3.2.2.2	Align implementation of Housing with bulk service provision	No of Alignment meetings	2014/15	R12 810	Corporate
	3.2.3	To facilitate the development of the youth and early childhood development, with particular focus on Education & Training	3.2.3.1	Identify, through the Youth Desk, indigent youth candidates for scarce skills training relevant and provide financial support	No of trainings provided and budget expended	2014/15	R260 000	Community
			3.2.3.2	Facilitate provision of Early Childhood Development Facilities with Department Social Development	No of reports	2014/15	R16 460	Community
			3.2.3.3	Provision of education infrastructure to support childhood development	% of budget expended	2014/15	R200 000	Engineers
	3.2.4	To facilitate the social development of the disabled and the Senior Citizens	3.2.4.1	Participate in Disability Forum	No of reports	2014/15	R16 460	Community
			3.2.4.2	Establish Senior Citizens Forum	No of reports	2014/15		Community
	3.2.5	To facilitate adequate provisioning and management of community facilities at appropriate locations	3.2.5.1	Implement the Caretakership Programme for all community facilities, as part of EPWP / CWP for job creation	% of budget expended	2014/15	R200 000	Community / Engineers
			3.2.5.2	Transfer all rural community facilities to the Municipality.	No of transfers complete	2014/15		Community

3.2.6	To facilitate the implementation of the Operation SukumaSakhe Programme (flagship programme)	3.2.6.1	Facilitate the roll-out of the SukumaSakhe programme to all wards, through the identification of "special" projects.	No of reports	2014/15	R32 920	Community
3.2.7	To provide for the Cemetery Needs in the Municipal Area	3.2.7.1	Facilitate with UDM the development of a Regional Cemetery	No of reports	2014/15	R16 460	Community
		3.2.7.2	Identify 2 potential sites for cemeteries in Eshowe	No of reports	2014/15		Planner
		3.2.7.3	Prepare cemetery plan	Plan developed and adopted	2014/15		Community
		3.2.7.4	Conduct Geotechnical and geohydrological studies for the identified sites	No of reports	2014/15		Planner
3.2.8	To Contribute towards the reduction of unemployment	3.2.8.1	To create innovative projects through <ul style="list-style-type: none"> o SMME's o Alien Weed eradication programme, o Expanded Public Works Programme (EPWP) and o War Against Poverty programmes 	No of projects	2014/15		ALL
		3.2.8.2	Ensure labour-intensive construction ("LIC") as per EPWP requirements	No of jobs	2014/15		Engineers (C)
3.2.9	To contribute towards the development of sporting codes	3.2.9.1	To prepare a sports development plan in conjunction with the Department of Sports and Recreation	Plan developed and adopted	2014/15		Planner
3.2.10	To contribute towards the prevention of crime	3.2.10.1	To prepare a combines crime prevention strategy in partnership with all relevant stakeholders	Strategy developed and adopted	2014/15		Protection
		3.2.10.2	Co-Ordinate community policing forums	No of Forum Meetings	2014/15		Protection

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

GOAL	STRATEGY REF.	STRATEGY	OBJ REF.	OBJECTIVES	MEASURE (SMART)	TARGET DATE	BUDGET	ACCOUNTABILITY
4.1 Good Governance	4.1.1	To reduce Risk to the Organisation	4.1.1.1	Review Enterprise Plan	Review date	2014/15	R93 590	All
			4.1.1.2	Review Fraud Risk Plan	Review date	2014/15		Corporate
			4.1.2.1	Review Communication Plan, including IGR	Review date	2014/15	R20 815	Corporate
	4.1.2	To improve inter-departmental and external (including IGR) communication	4.1.2.2	Investigate the feasibility of (1) merging the telephone switchboard and the emergency control room; and (2) the establishment of a Call Centre.	No of reports	2014/15	R20 815	Corporate / Protection
			4.1.2.3	Investigate feasibility of establishing a Document Management System – e-governance	No of reports	2014/15	R20 815	Corporate
			4.1.2.4	Investigate cost effective communication systems and technology	No of reports	2014/15	R25 620	Corporate
	4.1.3	To ensure a corruption-free organisation	4.1.3.1	Ensure effective and efficient functioning of Audit Committee	No of meetings	2014/15	R22 910	Municipal Manager
			4.1.3.2	Ensure effective and efficient functioning of Municipal Public Accounts Committee (MPAC)	No of meetings	2014/15	R22 910	Municipal Manager
			4.1.3.3	Ensure distribution and understanding of Whistle Blowing Policy Review Fraud Prevention Policy	Internal training	2014/15	R22 910	Municipal Manager
4.2 Public Participation	4.2.1	Ensure that public participation structures are established, capacitated and functional	4.2.1.1	Communicate IDP process plan to Stakeholders and Ward Committees	No of meetings	2014/15	R21 350	Municipal Manager
			4.2.1.2	Roll out IDP and Budget public participation through road shows	No of roadshows	2014/15	R200 000	Municipal Manager
			4.2.1.3	Facilitate functionality of all Ward Committees (include training and development)	No of functional Ward Committees	2014/15	R2 000 000	Municipal Manager
	4.2.2	To ensure Customer Satisfaction	4.2.2.1	Record customer dissatisfaction in registers at municipal offices	No of reports	2014/15	R93 590	Corporate

		Timeous alignment of planning processes with government initiatives and programmes	4.2.2.2	Improve planning by commencing Strategic planning processes and budget in alignment with government programmes annually in February each year	Strat plan meeting	2014/15		Finance
4.4 International Relation/s	4.3.1	To ensure the continuation of the twinning agreement with Geel Municipality (Belgium) and Songdal Municipality (Norway)	4.3.1.1	Support knowledge-sharing, best-practices, skills transfer & training in the following areas:	No of reports	2014/15	R22 910	Municipal Manager
				▯ Finance & Planning				
				▯ Fire Fighting				
				▯ Education				
				▯ LED				
				▯ Cultural Heritage				
			4.3.1.2	Support twinning with Songdal Municipality (Norway)	No of reports	2014/15	R200 000	Municipal Manager

KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

GOAL	STRATEGY REF.	STRATEGY	OBJ REF.	OBJECTIVES	MEASURE (SMART)	TARGET DATE	BUDGET	ACCOUNTABILITY
5.1 Ensure the Municipal Revenue Streams are optimised	5.1.1	Ensure effective and efficient credit control and cash collection	5.1.1.1	Improve credit control and debt collection system – particularly for Gingindlovu and Mtunzini, by providing a dedicated official for this function.	Review function of cashier at satellite offices	2014/15	R115 000	Finance
			5.1.1.2	Improve credit control in Eshowe by a the appointment of a dedicated credit controller	Debtor Controller appointed	2014/15	R92 000	Finance
	5.1.2	Reduction of revenue loss	5.1.2.1	Audit of consumption metres to assess electrical losses due to tampering	Complete audit	2014/15	R100 000	Engineers (E)
	5.1.3	Ensure effective and efficient cash collection from waste transfer stations	5.1.3.1	Improved record holding of tonnage of waste collected through transfer station	No of reports	2014/15	R35 400	Engineers
	5.1.4	Correct allocation of service charges for residential properties vs business	5.1.4.1	Investigate illegal business activity on residential properties and implement bylaws	No of reports	2014/15	R65 140	Engineers, Town Planner
	5.1.5	Review contracts that enhance revenue collection	5.1.5.1	Implement Traffic Management Technologies (TMT) contract to ensure sustainable and cost effectiveness	No of reports	2014/15	R193 520	Protection

	5.1.6	Investigate new Revenue sources within the legal framework	5.1.6.1	Conduct study in respect of installation of parking meters	Complete study	2014/15	R80 880	Protection
			5.1.6.2	Council land encroachments to be investigated by building inspectors	No of reports	2014/15	R6 510	Engineers
			5.1.6.3	Review of advertising and business licences functionality within Council structure	No of reports	2014/15	R25 620	Corporate
			5.1.6.4	Identify and implement additional revenue saving mechanisms	No of reports	2014/15		All
5.2 Supply chain management	5.2.1	To strengthen the Supply Chain Unit and Processes	5.2.1.1	Capacitate SCM Unit as per approved organogram	No of appointments	2014/15		Finance
			5.2.1.2	Provide training and skills development to officials involved in procurement processes	No of trainings completed	2014/15	R12 280	Finance
	5.2.2	Expend capital budget with the financial year	5.2.2.1	Review SDBIP and implement	Date of adoption, no of reports	2014/15		All
KPA 6: SPATIAL & ENVIRONMENTAL								
GOAL	STRATEGY REF.	STRATEGY	OBJ REF.	OBJECTIVES	MEASURE (SMART)	TARGET DATE	BUDGET	ACCOUNTABILITY
6.1 Protected and sustainable Natural Resources within the Municipal Area	6.1.1	To promote the sustainability and protection of the municipality's natural resources	6.1.1.1	Prepare Land Use Management Scheme for Rural Areas	Adoption of scheme	2014/15		Corporate
			6.1.1.2	Review Environmental Management Plan	Reviewed plan	2014/15		Community
			6.1.1.3	Participate in the management of the coast via the Coastal Management Working Group	No of reports	2014/15		Community
	6.1.2	To capacitate the planning component	6.1.2.1	Training to the town planner	No of training provided	2014/15		Corporate
			6.1.2.2	Allocation of additional resources to the Planning and Development Department	No of reports	2014/15		Finance
	6.1.3	To promote integrated development planning	6.1.3.1	Review uMlalazi IDP for 2015/2016	Date of adoption	2014/15		Municipal Manager
	6.1.4	To utilize scarce land effectively and efficiently	6.1.4.1	Update cadastral information	No of reports	2014/15		Town Planner

			6.1.4.2	Review uMlalazi Town Planning Scheme for urban areas	Adoption of reviewed scheme	2014/15		Town Planner
			6.1.4.3	Prepare a Register of Municipal-owned properties	Register prepared and adopted	2014/15		Town Planner
	6.1.5	Facilitate future growth of urban areas (urbanisation)	6.1.5.1	Identify land for worship purposes	No of erven identified for worship	2014/15		Town Planner
			6.1.5.2	Prepare Nodal Framework Plans for Eshowe, Gingindlovu and Mtunzini and rural nodes	Nodal Framework plan developed	2014/15		Town Planner
			6.1.5.3	Facilitate the development projects in Mtunzini & Eshowe through the PDA	No of reports	2014/15		Town Planner
			6.1.5.4	Roll out of Community Based Plan	No of reports	2015/16		Town Planner

6.2 Breakdown of Operating Expenditure and Capital Expenditure aligned to the IDP

6.2.1 Operating Expenditure

Details	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
Care taking: rural buildings	200 000	400 000	450 000
Youth development	600 000	1 300 000	1 300 000
Early childhood development	300 000	350 000	400 000
Local Economic development (LED)	2 224 750	4 268 160	4 421 360
Poverty alleviation	2 800 000	4 870 920	4 922 730
Rural fire prevention	300 000	400 000	500 000
Sports development	512 000	1 300 000	1 350 000
Local Aids Council	350 000	600 000	650 000
Work Creation projects	1 003 070	2 419 110	2 500 000
Rural grounds maintenance	200 000	1 500 000	1 700 000
Rural roads and causeways	8 000 000	8 850 000	9 350 000
Increase in Eskom supply	4 971 770	-	-

6.2.2 Capital Expenditure

Hereunder follows a breakdown of the capital expenditure aligned to the goals and action plans of the IDP:

MIG Allocations for 2014/2015 Financial Year

	Ward	2014/2015	2015/2016	2016/2017
<u>HALLS AND OFFICES</u>				
Sqwanjana hall	13	1 700 000		
Emandawe hall	10			1 500 000
Bongela hall	1			550 000
Mcongweni hall	13			1 026 000
<u>TESTING GROUNDS</u>				
New testing station	11	2 856 870	8 736 330	14 547 620
<u>SPORTS FIELDS</u>				
Kwayabu sports field	15	1 400 000		
Kwabulawayo sports field	24	2 140 130	5 475 590	6 700 340
Emfenyane sports field	14			1 438 020
<u>CRECHES</u>				
Ngodini creche	26			1 000 000
<u>ROADS AND CAUSEWAYS</u>				
Kangella street	11	4 216 860	8 892 270	7 498 810
Nogobhoza road	15	1 562 180		
Ntenjane causeway	14			
Naickerville intersection	18			
Esifubeni road	10	2 321 950		
KDS/Sunnydale link road	12	1 900 000		
Osborn road rehabilitation	11	4 386 770		
Gcisa road	17	2 178 380	2 178 370	
KDS bus route rehabilitation	12	500 000		
Mfofolozi causeway	1	2 400 000	3 500 000	3 384 810
Ndlongolwane road	4	1 500 000	2 314 730	
Ngwandla road	19			
Mtipela road	3	3 000 000		
Makhehle causeway	24	1 100 000		
Bele Road	24	1 309 860	6 815 710	
Hlungwini causeway	5			789 310
Gingindlovu stormwater	18			2 000 000
<u>OTHER</u>				
Rehabilitation of landfill site	11	550 000		
Retention monies		1 300 000	1 200 000	1 500 000
Sub total		36 323 000	39 113 000	41 934 910
<u>PMU ADMIN COSTS</u>		1 200 000	1 200 000	1 200 000
<u>TOTAL</u>		37 523 000	40 313 000	43 134 910

7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

7.1 Hereunder follows the key financial indicators dealing with borrowing management, safety of capital, revenue and creditor management

Description of financial indicator	Basis of calculation	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.6%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.0%	1.2%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	2.2%	2.2%	1.9%	2.6%	2.0%	2.0%	2.0%	2.5%	3.5%	4.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.4	1.9	2.1	2.3	1.8	1.8	1.8	1.7	1.7	1.7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.9	2.1	2.3	1.8	1.8	1.8	1.7	1.7	1.7
Liquidity Ratio	Monetary Assets/Current Liabilities	0.6	1.1	1.4	1.0	1.1	1.1	1.1	1.0	1.1	1.1
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		92.3%	90.6%	123.0%	89.6%	89.5%	89.5%	89.5%	88.9%	87.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			92.9%	90.6%	123.0%	89.6%	89.5%	89.5%	89.5%	88.9%	87.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17.3%	14.1%	14.8%	12.3%	12.6%	12.6%	12.6%	10.9%	8.2%	8.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within' MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		34.2%	24.5%	39.4%	11.3%	43.2%	43.2%	43.2%	43.3%	43.6%	44.8%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	4.70%	2.90%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	32.1%	31.5%	28.2%	31.1%	28.0%	28.0%	28.0%	29.4%	33.6%	34.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	39.1%	40.2%	40.3%	38.3%	37.2%	37.2%		35.7%	32.7%	33.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.5%	6.1%	5.5%	5.4%	6.3%	6.3%		6.5%	6.5%	6.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4.9%	5.0%	4.6%	4.5%	4.3%	4.3%	4.3%	4.0%	3.6%	3.6%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	48.7	33.5	70.5	37.7	37.7	37.7	36.6	38.0	40.1	42.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	29.2%	26.3%	30.1%	24.7%	26.7%	26.7%	26.7%	23.9%	19.2%	18.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.4	3.4	4.9	4.7	3.3	3.3	3.3	2.7	2.5	2.5

7.2 Hereunder follows the Financial indicators for Revenue by source and Expenditure by type

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue By Source																
Property rates		2 871	2 871	2 871	2 871	2 871	2 871	2 871	2 871	2 871	2 871	2 871	2 871	34 456	36 377	38 004
Property rates - penalties & collection charges		48	48	48	48	48	48	48	48	48	48	48	48	581	613	646
Service charges - electricity revenue		4 692	4 692	4 692	4 692	4 692	4 692	4 692	4 692	4 692	4 692	4 692	4 692	56 306	63 504	68 819
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		840	840	840	840	840	840	840	840	840	840	840	840	10 077	10 621	11 165
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		114	114	114	114	114	114	114	114	114	114	114	114	1 373	1 447	1 359
Interest earned - external investments		217	217	217	217	217	217	217	217	217	217	217	217	2 600	2 700	2 800
Interest earned - outstanding debtors		13	13	13	13	13	13	13	13	13	13	13	13	150	160	170
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		260	260	260	260	260	260	260	260	260	260	260	260	3 124	3 293	3 471
Licences and permits		304	304	304	304	304	304	304	304	304	304	304	304	3 645	3 841	4 049
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		10 302	10 302	10 302	10 302	10 302	10 302	10 302	10 302	10 302	10 302	10 302	10 302	123 624	156 985	160 582
Other revenue		258	258	258	258	258	258	258	258	258	258	258	258	3 097	3 231	3 371
Gains on disposal of PPE		8	8	8	8	8	8	8	8	8	8	8	8	100	120	130
Total Revenue (excluding capital transfers and contributions)		19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	239 134	282 892	294 565
Expenditure By Type																
Employee related costs		5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	70 324	95 045	101 750
Remuneration of councillors		1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	16 895	18 064	19 315
Debt impairment		120	120	120	120	120	120	120	120	120	120	120	120	1 440	1 518	1 600
Depreciation & asset impairment		744	744	744	744	744	744	744	744	744	744	744	744	8 932	9 415	9 923
Finance charges		60	60	60	60	60	60	60	60	60	60	60	60	714	753	794
Bulk purchases		3 417	3 417	3 417	3 417	3 417	3 417	3 417	3 417	3 417	3 417	3 417	3 417	41 003	44 609	47 563
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	27 449	26 812	24 894
Transfers and grants		275	275	275	275	275	275	275	275	275	275	275	275	3 305	3 486	3 678
Other expenditure		5 735	5 735	5 735	5 735	5 735	5 735	5 735	5 735	5 735	5 735	5 735	5 735	68 822	82 881	84 719
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	238 883	282 582	294 235
Surplus/(Deficit)																
Transfers recognised - capital		3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	44 767	54 116	59 589
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions																
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

7.3 Hereunder follows the measurable performance objectives for revenue and operating expenditure by vote

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue by Vote																
Vote 1 - EXECUTIVE AND COUNCIL		9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	117 359	145 244	151 257
Vote 2 - BUDGET AND TREASURY OFFICE		204	204	204	204	204	204	204	204	204	204	204	204	2 453	2 551	2 693
Vote 3 - CORPORATE SERVICES		143	143	143	143	143	143	143	143	143	143	143	143	1 711	1 938	852
Vote 4 - PLANNING AND DEVELOPMENT		220	220	220	220	220	220	220	220	220	220	220	220	2 642	2 766	2 791
Vote 5 - HEALTH		265	265	265	265	265	265	265	265	265	265	265	265	3 186	4 620	5 104
Vote 6 - COMMUNITY AND SOCIAL SERVICES		290	290	290	290	290	290	290	290	290	290	290	290	3 481	3 651	3 849
Vote 7 - HOUSING		12	12	12	12	12	12	12	12	12	12	12	12	143	150	158
Vote 8 - PUBLIC SAFETY		373	373	373	373	373	373	373	373	373	373	373	373	4 475	5 854	6 262
Vote 9 - SPORTS AND RECREATION		225	225	225	225	225	225	225	225	225	225	225	225	2 704	5 499	5 864
Vote 10 - WASTE MANAGEMENT		1 186	1 186	1 186	1 186	1 186	1 186	1 186	1 186	1 186	1 186	1 186	1 186	14 227	15 142	15 929
Vote 11 - ROAD TRANSPORT		969	969	969	969	969	969	969	969	969	969	969	969	11 631	12 677	13 383
Vote 12 - ELECTRICITY		6 260	6 260	6 260	6 260	6 260	6 260	6 260	6 260	6 260	6 260	6 260	6 260	75 124	82 800	86 423
Vote 13 - AIR TRANSPORT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - WORKSHOP		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	19 928	239 134	282 892	294 565
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE AND COUNCIL		5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	63 170	90 395	93 560
Vote 2 - BUDGET AND TREASURY OFFICE		1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	12 731	13 536	14 435
Vote 3 - CORPORATE SERVICES		781	781	781	781	781	781	781	781	781	781	781	781	9 372	9 912	9 541
Vote 4 - PLANNING AND DEVELOPMENT		364	364	364	364	364	364	364	364	364	364	364	364	4 372	4 620	4 781
Vote 5 - HEALTH		484	484	484	484	484	484	484	484	484	484	484	484	5 810	7 437	8 127
Vote 6 - COMMUNITY AND SOCIAL SERVICES		306	306	306	306	306	306	306	306	306	306	306	306	3 668	3 693	3 834
Vote 7 - HOUSING		13	13	13	13	13	13	13	13	13	13	13	13	156	165	174
Vote 8 - PUBLIC SAFETY		2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	24 603	27 255	29 054
Vote 9 - SPORTS AND RECREATION		860	860	860	860	860	860	860	860	860	860	860	860	10 318	13 624	14 538
Vote 10 - WASTE MANAGEMENT		1 355	1 355	1 355	1 355	1 355	1 355	1 355	1 355	1 355	1 355	1 355	1 355	16 257	17 236	18 283
Vote 11 - ROAD TRANSPORT		1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	16 764	18 212	19 352
Vote 12 - ELECTRICITY		5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	71 111	75 906	77 926
Vote 13 - AIR TRANSPORT		1	1	1	1	1	1	1	1	1	1	1	1	12	13	14
Vote 14 - WORKSHOP		45	45	45	45	45	45	45	45	45	45	45	45	539	577	617
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	238 883	282 582	294 235
Surplus/(Deficit) before assoc.		21	21	21	21	21	21	21	21	21	21	21	21	251	310	330
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-

7.4 Hereunder follow the measurable performance objectives for capital by vote

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE AND COUNCIL					550		128						-	678	20	30
Vote 2 - BUDGET AND TREASURY OFFICE					211	435	220						-	866	256	178
Vote 3 - CORPORATE SERVICES		280	280	693	1 043	693	1 513	413	413	2 513	413		-	8 250	1 644	7 761
Vote 4 - PLANNING AND DEVELOPMENT													-	-	-	-
Vote 5 - HEALTH							15	40					-	55	10	65
Vote 6 - COMMUNITY AND SOCIAL SERVICES							10	100	100	200			-	410	470	1 060
Vote 7 - HOUSING													-	-	-	-
Vote 8 - PUBLIC SAFETY					200	40	450						-	690	490	3 355
Vote 9 - SPORTS AND RECREATION		280	280	640	1 390	480	200	357	357	457	357	357	357	5 510	9 816	9 738
Vote 10 - WASTE MANAGEMENT		550			250								-	800	1 770	400
Vote 11 - ROAD TRANSPORT		3 221	2 821	3 396	5 188	3 928	2 860	2 583	3 354	3 354	3 154	2 479	5 979	42 318	41 377	39 521
Vote 12 - ELECTRICITY				120	250	350	380						-	1 100	3 163	2 460
Vote 13 - AIR TRANSPORT													-	-	-	-
Vote 14 - WORKSHOP													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	4 331	3 381	4 849	9 081	5 925	5 775	3 492	4 223	6 523	3 923	2 836	6 336	60 677	59 016	64 569
Total Capital Expenditure	2	4 331	3 381	4 849	9 081	5 925	5 775	3 492	4 223	6 523	3 923	2 836	6 336	60 677	59 016	64 569

8. OVERVIEW OF BUDGET – RELATED POLICIES

8.1 This section gives a broad overview of the budget policy framework and highlights the amended policies to be approved by Council Resolution.

NAME OF POLICY	LAST DATE OF APPROVAL	NEW ADOPTION DATE	STATUS
Bad Debt Write Off Policy	28/05/2013 Min. no UMC 65/12/13	27/05/2014	Review
Borrowing Policy	28/05/2013 Min. no UMC 65/12/13	27/05/2014	Review
Budget Policy	05/10/2012 Min. no UMC 12/12/13	27/05/2014	Review
Credit Control & Debt Collection Policy	28/05/2013 Min. no UMC 65/12/13	27/05/2014	Amend
Funding and Reserve Policy	28/05/2013 Min. no UMC 65/12/13	27/05/2014	Review
Indigent Support Policy	28/05/2013 Min. no UMC 65/12/13	27/05/2014	Review
Investment Policy	07/11/2005 (Exco Min No.157/05/06)	27/05/2014	Review
Property Rates Policy	28/05/2013 Min. no UMC 65/12/13	27/05/2014	Amend
Risk Management Policy	07/07/2008 (Exco Min No.18/5/09)	27/05/2014	Review
Supply Chain Management Policy	05/06/2013 (Exco Min No. 355/12/13)	27/05/2014	Amend
Tariff Policy	01/06/2007 (Exco Min No. 01/06/07)	27/05/2014	Review

The above mentioned policies can be reviewed on the Council's official website, and can also be obtained on request from the Council's offices.

8.2 The following amendments of the policies are tabled for consideration:

8.2.1 Credit Control and Debt Collection Policy

SECTION C: CONSUMER DEBTORS (ELECTRICITY AND REFUSE)

New paragraph under "1 Credit Control Procedures & Mechanisms"

Paragraph 1.7 (new)

1.7 Interest on arrears

In respect of any amount for electricity and refuse removal remaining unpaid after the final date for their payment there shall be added for each month during which the default continues a penalty/interest calculated at the rate of eighteen per cent per annum and for the purpose of this paragraph part of a month shall be deemed the full month.

Paragraph 2.8 (new)

2.8 Legal fees incurred on any account as a result of that account being handed over will be levied against that customer's account.

2.9 For all prepaid electricity customers who are in arrears with their municipal account, the Municipality will utilise debt collection mechanism available on the Municipality's prepaid vending system. These mechanisms will be utilised as follows

2.9.1 For all debtors with arrear balances above R1000.00, a percentage collection mechanism of 70/30. This means that whenever a customer buys prepaid electricity 70% of the amount tendered will be allocated to arrears and 30% of the amount tendered will be allocated to prepaid electricity.

2.9.2 For all debtors with balances below R 1000.00. any amount tendered for prepaid electricity will be allocated to arrears first and once the arrears have been liquidated, the customer will be given the prepaid token with the balance.

8.2.2 Rates Policy

Under Definitions

Vacant Land (new)

" Vacant Land" means land that has not been developed with any permanent structures

CHAPTER 1 - ESTABLISHMENT AND IMPLEMENTATION OF RATES POLICY

New paragraph under "4 Adoption and contents of rates policy"

4.7 The Municipality has determined the following categories of property

- a) Residential
- b) Agricultural
- c) Industrial
- d) Business & Commercial
- e) Multiple Use
- f) Public Service Infrastructure
- g) Vacant Land
- h) Mining
- i) Municipal

4.8 The Municipality has determined the following categories of owners of property

- a) Residential
- b) Public Benefit Organisations
- c) Land Reform Beneficiaries
- d) Municipal
- e) Public Service Infrastructure
- f) Nature Reserves / Conservation Areas

4.9 Categories of properties are determined according to the actual use of the property and the property shall be rated on such actual use. A change in use of property may result in the change of category of property.

CHAPTER 2-LEVYING OF RATES

CLAUSE 9 (EXEMPTIONS AND REBATES FROM RATES)

The following clause currently reads as follows:

9.3 The following categories of owners of residential properties shall additionally receive the following rebates on the rates due in respect of such properties after deducting the rebate applicable to residential properties:

9.3.2 *Property owners who are both the permanent occupants and the sole owners of the property concerned and who belong to one of the following categories:

- (a) A ratepayer older than 65 years of age;
- (b) A bona fide pensioner under 65 years of age;
- (c) A ratepayer under 65 years of age, but has been retired from employment by reason of illness or disability; and

d) whose total household income is as follows:

(i) a single person receiving a total income of R5 390,00 per month or less

100% of the rates based on the rateable value up to R75 000.00 and 40% of the rates based on the rateable value above R75 000.00.

(ii) a married couple receiving a joint monthly income of R6 720,00 per month or less.

(iii) a single person receiving a total income of R5 391.00 and more per month.

100% of the rates based on the rateable value up to R75 000.00 and 20% of the rates based on the rateable value above R75 000.00.

(iv) a married couple receiving a joint monthly income of R6 721 and more per month.

To be replaced by:

9.3 The following categories of owners of residential properties shall additionally receive the following rebates on the rates due in respect of such properties after deducting the rebate applicable to residential properties:

9.3.2 *Property owners who are both the permanent occupants and the sole owners of the property concerned and who belong to one of the following categories:

(a) A ratepayer older than 60 years of age;

(b) A bona fide pensioner under 60 years of age;

(c) A ratepayer under 60 years of age, but has been retired from employment by reason of illness or disability; and

d) whose total household income is as follows:

(i) a single person receiving a total income of R5 690,00 per month or less

100% of the rates based on the rateable value up to R75 000.00 and 40% of the rates based on the rateable value above R75 000.00.

(ii) a married couple receiving a joint monthly income of R7 100,00 per month or less.

100% of the rates based on the rateable value up to R75 000.00 and 20% of the rates based on the rateable value above R75 000.00.

(iii) a single person receiving a total income of R5 691.00 and more per month.

(i) a married couple receiving a joint monthly income of R7 100.00 and more per month.

CHAPTER 2-LEVYING OF RATES

CLAUSE 9 (EXEMPTIONS AND REBATES FROM RATES)

The following clause currently reads as follows:

Paragraph 9.8 (b)

- (b) Should an applicant wish to apply for a rebate of rates, he/she may apply before the 31 August in any year

To be replaced by:

- (b) Should an applicant wish to apply for a rebate of rates, he/she may apply before the 30 June in any year

Paragraph 9.8 (e) be removed

9. OVERVIEW OF BUDGET ASSUMPTIONS

9.1 In January 2010, Cabinet adopted 12 outcomes within which to frame public service delivery priorities and targets. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets and responsibilities to national and provincial departments, agencies and municipalities.

The municipality is expected to take the 12 outcomes into consideration when reviewing the IDP and developing the annual Budget for the 2014/2015 MTREF. Hereunder follows the 12 outcomes, together with examples of areas where the municipality have a role to play in either contributing directly to the realization of the outcomes or facilitating the work of national and provincial departments in realizing them.

12 Outcomes of Government-role of Local Government

No	Description	Role of Local Government
1	Improve the quality of basic education	<ul style="list-style-type: none"> Facilitate the building of new schools by: <ul style="list-style-type: none"> - Participating in needs assessments - Identifying appropriate land - Facilitating zoning and planning processes Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections
2	Improve health and life expectancy	<ul style="list-style-type: none"> Many municipalities perform health functions on behalf of provinces Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments. Municipalities must continue to improve Community Health Service infrastructure by providing clean water, sanitation and waste removal services.
3	All people in South Africa protected and feel safe	<ul style="list-style-type: none"> Facilitate the development of safer communities through better planning and enforcement of municipal by laws. Direct the traffic control function towards policing high risk violations-rather than revenue collection Metro police services should contribute by: <ul style="list-style-type: none"> - Increasing police personnel - Improving collaboration with SAPS - Ensuring rapid response to reported crimes
4	Decent employment through inclusive economic growth	<ul style="list-style-type: none"> Create an enabling environment for investment by streamlining planning application processes. Ensure proper maintenance and rehabilitation of essential services infrastructure. Ensure proper implementation of the EPWP at municipal level Design service delivery processes to be labour intensive Improve procurement systems to eliminate corruption and ensure value for money Utilize community structures to provide services
5	A skilled and capable workforce to support inclusive growth	<ul style="list-style-type: none"> Develop and extend intern and work experience programmes in municipalities. Link municipal procurement to skills development initiatives

6	An efficient, competitive and responsive economic infrastructure network	<ul style="list-style-type: none"> • Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services • Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport • Maintain and expand water purification works and waste water treatment works in line with growing demand • Cities to prepare to receive the devolved public transport function • Improve maintenance of municipal road networks.
7	Vibrant, equitable and sustainable rural communities and food security	<ul style="list-style-type: none"> • Facilitate the development of local markets for agricultural produce • Improve transport links with urban centres so as to ensure better economic integration • Promote home production to enhance food security • Ensure effective spending of grants for funding extension of access to basic services.
8	Sustainable human settlements and improved quality of household life	<ul style="list-style-type: none"> • Cities must prepare to be accredited for the housing function. • Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements • Participate in the identification of suitable land for social housing. • Ensure capital budgets are appropriately prioritized to maintain existing services and extend services.
9	A response and, accountable, effective and efficient local government system	<ul style="list-style-type: none"> • Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality • Implement the community work programme • Ensure ward committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues. • Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption.
10	Protection and enhancement of environmental assets and natural resources	<ul style="list-style-type: none"> • Develop and implement water management plans to reduce water losses. • Ensure effective maintenance and rehabilitation of infrastructure • Run water and electricity saving awareness campaigns • Ensure proper management of municipal commonage and urban open spaces • Ensure development does not take place on wetlands.

11	A better South Africa, a better and safer Africa and world	<ul style="list-style-type: none"> • Role of Local Government is fairly limited in this area. Must concentrate on: - Ensuring basic infrastructure is in place and properly maintained. - Creating an enabling environment for investment.
12	A development-orientated public service and inclusive citizenship	<ul style="list-style-type: none"> • Continue to develop performance monitoring and management systems. • Comply with legal financial reporting requirements • Review municipal expenditures to eliminate wastage • Ensure councils behave in ways to restore community trust in Local Government.

9.2 The following budget assumptions have a major influence on the annual budget:

- It will take some time for the economic upturn to flow through to increased municipal revenues and better cash flows.
- The revenue stream of the Council will stay under pressure for the next three to four quarters in 2013.
- The increased high cost to move waste from the refuse transfer stations, to the regional refuse site.
- The excessive increases in the tariffs of bulk electricity purchases in the next three budget years, are putting pressure on the Council's draft operating expenditure budget.
- The increases in property rates and other tariffs are likely to be counter productive, resulting in higher levels of non payment and increased bad debts.

10. Overview of Budget funding

10.1 Medium term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Description	2014/2015 Medium Term Revenue & Expenditure Framework					
	Budget Year 2014/2015	%	Budget Year 2015/2016	%	Budget Year 2016/2017	%
Property rates	35 036 830	15	36 989 970	13	38 649 510	13
Service charges	66 593 990	28	74 385 050	26	80 261 650	27
Investment revenue	2 600 000	0	2 700 000	2	2 800 000	2
Transfers recognised-operational	123 624 190	52	156 984 900	55	160 581 730	54
Other own revenue	11 339 380	5	11 931 880	4	12 379 710	4
Total Operating Revenue (excluding capital transfers and contributions)	239 194 390	100	282 991 800	100	294 672 600	100
Total Operating Expenditure	238 883 000		282 582 140		294 235 190	
Surplus/(Deficit)	311 390		409 660		437 410	

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as electricity, and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc)

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 95 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirement;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004)(MPRA), and
- The ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2014/2015 MTREF on the different revenue categories are:

Revenue category	2014/2015 proposed tariff increase	2015/2016 proposed tariff increase	2016/2017 proposed tariff increase	2014/2015 additional revenue for each 1% tariff increase	2014/2015 additional revenue owing to % tariff increase	2014/2015 Total Budgeted revenue
Property Rates	5.6%	5.4%	5.4%	350 368	2 539 160	35 036 830
Solid Waste	5.6%	5.4%	5.4%	100 772	928 500	10 077 220
Electricity	9.7%	9.7%	9.7%	565 168	4 524 020	56 516 770
Total				1 016 308	7 991 680	101 630 820

Revenue to be generated from property rates is R35 036 830 in the 2014/2015 financial year and increase to R38 649 510 by 2016/2017 which represents 13 per cent of the operating revenue base of the municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed.

The Municipality is still in a process of further data verification and validation relating to the valuation roll. In addition there are still outstanding objections, although significant progress was made in dealing with these objections in the 2013/2014 financial year. It is anticipated that the process will be concluded by the end of 2014.

Service charges relating to electricity, and refuse removal constitutes the second biggest component of the revenue basket of the municipality totaling R66 593 990 for the 2014/2015 financial year and increasing to R80 261 650 by 2016/2017. For the 2014/2015 financial year service charges amount to 28 per cent of the total revenue base and decreases by 1 per cent per annum over the medium-term.

Operational grants and subsidies amount to R123 642 190 , R156 984 900 and R160 581 730 for each of the respective financial years of the MTREF, or 52 , 55 and 54 per cent of operating revenue. It needs to be noted that in real terms the grants receipts from national government are the biggest component of the revenue basket.

Investment revenue contributes marginally to the revenue base of the municipality with a budget allocation of R2 600 000 , R2 700 000 and R2 800 000 for the respective three financial years of the 2014/2015 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus of R311 390, R409 660 and R437 410 in each of the financial years.

10.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2014/2015 medium-term capital programme:

Vote Description	2014/2015 Medium Term Revenue and Expenditure Framework							
	Budget Year 2013/2014	%	Budget Year 2014/2015	%	Budget Year +1 2015/2016	%	Budget Year +2 2016/2017	%
Funded By:								
National Government	44 997 300	83	44 766 710	74	54 116 190	92	59 588 910	92
Provincial Government								
Transfers recognized –capital	44 997 300	83	44 766 710	74	51 116 190	92	59 588 910	92
Public contributions & donations.								
Borrowing internally generated funds	9 247 000	17	15 910 000	26	4 900 000	8	4 980 000	8
Total Capital Funding	54 244 300	100	60 676 710	100	59 016 190	100	64 568 910	100

Capital grants and receipts equates to 74% of the total funding source, which represents R44 767 million for the 2014/2015 financial year.

The following table is a breakdown of the capital transfers and grants:

Description R thousand	2010/11	2011/12	2012/13	2013/14	2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital Transfers and Grants							
National Government:	22 488	38 577	32 602	44 997	44 767	54 116	59 589
Municipal Infrastructure Grant (MIG)	16 910	29 028	24 986	36 531	36 323	39 113	41 935
Municipal Systems Improvement Grant (MIG)					100		
Equitable Share	5 578	9 549	7 616	8 466	8 344	15 003	17 654
Provincial Government:			1 068				
Other capital transfers/grants [insert description] Establishment of pound			1 068				
District Municipality:							
<i>Uthungulu District Municipality</i>							
Other grant providers:	922	660					
<i>Department Of Sports and Recreation</i>							
<i>Project Consolidate</i>							
<i>Library Services</i>							
<i>Department Of Minerals & Energy</i>	922	660					
<i>Department of Economic Development</i>							
<i>Development Bank of South Africa</i>							
Total Capital Transfers and Grants	23 410	39 237	33 670	44 997	44 767	54 116	59 589

10.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category:
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provided for as cash flow based on actual performance. In other words the actual collection rate of billed revenue, and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Budgeted cash flow statement

(R) Thousands	Audited 2010/2011	Audited 2011/2012	Audited 2012/2013	Forecast 2013/2014	Budget 2014/2015	Budget 2015/2016	Budget 2016/2017
CASH FLOWS FROM OPERATING ACTIVITIES							
<u>Receipts</u>							
Ratepayers and other	89 715	111 655	121 806	94 095	100 324	107 249	114 138
Government - operating	57 516	69 774	90 698	106 889	123 624	156 985	160 582
Government - capital	21 843	28 305	35 093	31 973	44 767	54 116	59 589
Interest	1074	1 139	2 491	2 500	2 600	2 700	2 800
<u>Payments</u>							
Suppliers and employees	(149 621)	(168 800)	(188 978)	(214 452)	(234 019)	(271 441)	(285 513)
Finance charges	(643)	(770)	(709)	(676)	(714)	(753)	(794)
Transfers and grants	(399)	(2 572)	(2 812)	(2 989)	(3 280)	(3 482)	(3 664)
NET CASH FROM (USED) OPERATING ACTIVITIES	19 485	38 731	57 589	17 340	33 302	45 374	47 138
CASH FLOWS FROM INVESTING ACTIVITIES							
<u>Receipts</u>							
Proceeds on disposal of PPE	730	2 513	439	200	100	120	130
Decrease (increase) in non-current debtors	(499)	28	5	(21)	(5)	(3)	2
Decrease (increase) other non-current debtors							
Decrease (increase) in non-current investments							
<u>Payments</u>							
Capital assets	(21 543)	(24 658)	(34 806)	(32 547)	(36 406)	(41 311)	(45 198)
NET CASH FROM (USED) INVESTING ACTIVITIES	(21 312)	(22 117)	(34 362)	(32 368)	(36 311)	(41 194)	(45 066)
CASH FLOWS FROM FINANCING ACTIVITIES							
<u>Receipts</u>							
Borrowing long term/refinancing	2 575						
Increase (decrease) in consumer deposits	203	120	56	334	190	174	52
<u>Payments</u>							
Repayment of borrowing	(329)	(343)	(343)	(343)	(343)	(343)	(343)
NET CASH FROM (USED) INVESTING ACTIVITIES	2 449	(223)	(287)	(9)	(153)	(169)	(291)
NET INCREASE/(DECREASE) IN CASH HELD	622	16 391	22 940	(15 037)	(3 162)	4 011	1 781
Cash/cash equivalents at the year begin	3 510	21 157	37 548	60 488	45 451	42 289	46 300
Cash/cash equivalents at the year end	4 132	37 548	60 488	45 451	42 289	46 300	48 081

The above table shows that cash and cash equivalents of the municipality increases between the 2010/2011 and 2013/2014 financial year, moving from a cash balance of R4 132 000 to a balance of R45 451 000 with the 2013/2014 forecast.

Various cost efficiencies and savings had to be realized during this period to ensure the municipality could meet its operational expenditure commitments. For the 2014/2015 MTREF the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term.

10.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (application > cash and investments) is indicative of non compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyze trends to understand the consequences, eg. The budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Cash backed reserves /accumulated surplus reconciliation

(R) Thousands	Audited 2010/2011	Audited 2011/2012	Audited 2012/2013	Forecast 2013/2014	Budget 2014/2015	Budget 2015/2016	Budget 2016/2017
<u>Cash and investments available</u>							
Cash/cash equivalents at the year end	4 132	37 548	60 488	45 451	42 289	46 300	48 081
Other current investments >90 days	17 025	-	-	-	-	-	-
Non-current assets - investments	1	1	1	1	1	1	1
Total cash and investments available	21 158	37 549	60 489	45 452	42 290	46 301	48 082
<u>Application of cash and investments</u>							
Unspent conditional grants	16 032	5 927	13 826	15 209	14 529	13 690	12 580
Unspent borrowing	5 828	5 485	5 142	4 799	4 456	4 113	3 770
Statutory requirements (VAT)	1 547	513	880	1 100	1 000	750	700
Other working capital requirements	(13 248)	(11 655)	(11 243)	(4 539)	(4 805)	52	1 164
Other provisions	820	841	842	870	860	891	910
Reserves to be backed by cash/investments	13 519	12 133	10 532	25 662	24 791	24 474	26 300
Total commitments:	24 498	13 244	19 979	43 101	40 831	43 970	45 424
Surplus/(Shortfall)	(3 340)	24 305	40 510	2 351	1 459	2 331	2 658

From the above table it can be seen that the cash and investments available total in the 2014/2015 financial year is R42 290 000 and progressively increase to R48 082 000 by 2016/2017, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. During the 2013/2014 financial year the municipality was required to supply National Treasury with a detailed analysis of the unspent grants. For the 2014/2015 financial year provision has been made for this liability.
- Provisions for statutory requirements include VAT owing to timing differences resulting from year-end obligations. The liability in this regard totaled for the 2014/2015 financial year.
- Against other provisions an amount R860 000 has been provided for the 2014/2015 financial year and this increases to R910 000 by 2016/2017. This liability is informed by, amongst others, the commuting of staff leave.
- A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.

It can be concluded that the municipality's level of non cash-backing progressively improved over the period 2010/2011 to 2013/2014. The 2014/2015 MTREF has been informed by ensuring the financial plan meets the minimum requirements of the MFMA. However, from a practical perspective it would not be possible to eradicate this deficit in one financial year hence the phased approach over the MTREF. Nevertheless from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible. The challenge for the municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

10.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are obtained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Funding measurement

Description	2010/2011	2011/2012	2012/2013	2013/2014	2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Forecast	Budget Year 2014/15	Budget Year 2015/16	Budget Year 2016/17
Funding measures							
Cash/cash equivalents at the year end - R'000	34 158	37 548	60 488	45 451	42 289	46 300	48 081
Cash + investments at the yr end less applications - R'000	(3 340)	24 305	40 510	2 351	1 459	2 331	2 658
Cash year end/monthly employee/supplier payments	3.4	3.5	4.9	3.3	2.7	2.5	2.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18 754	14 965	36 456	32 024	45 017	54 426	59 919
Service charge rev % change - macro CPIX target exclusive	-	(10.5%)	2.1%	(6.0%)	1.4%	3.6%	0.8%
Cash receipts % of Ratepayer & Other revenue	92.9%	89.9%	123.0%	89.5%	88.9%	87.1%	87.1%
Debt impairment expense as a % of total billable revenue	1.4%	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%
Capital payments % of capital expenditure	92.0%	96.9%	103.4%	60.0%	60.0%	70.0%	70.0%
Borrowing receipts % of capital expenditure (excl. transfers)	-	-	-	-	-	-	-
Grants % of Govt. legislated/gazetted allocations	-	-	-	-	-	-	-
Current consumer debtors % change - incr(decr)	-	(14.2%)	24.4%	-	(3.9%)	(11.9%)	1.5%
Long term receivables % change - incr(decr)	-	(1.9%)	(0.4%)	-	0.3%	0.2%	(0.1%)
R&M % of Property Plant & Equipment	1.3%	2.3%	2.2%	2.7%	3.2%	3.7%	3.7%
Asset renewal % of capital budget	5.8%	7.5%	21.5%	30.1%	38.9%	41.1%	38.9%

10.5.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirement.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet the MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2014/2015 MTREF shows R42 289 000 , R46 300 000 and R48 081 000 for each respective financial year.

10.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in section 10.4 The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

10.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. Notably, the ratio has been improving for the period 2010/2011 to 2012/2013, moving from 3.4 to 4.9 with the adopted 2013/2014 MTREF. As part of the 2014/2015 MTREF the municipality's cash position causes the ratio to move downwards to 2.5 for the outer years. The municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually towards two months coverage. This measure will have to be carefully monitored going forward.

10.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are sufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2014/2015 MTREF the indicative outcome is a surplus of R45 017 000 , R 54 426 000 and R59 919 000.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

10.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target.

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 3-6 per cent). The result is intended to be approximation of the real increase in revenue. From the table above it can be seen that the percentage growth totals 1.4 , 3.6 and 0.8 per cent for the respective financial years of the 2014/2015 MTREF. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 5.6 per cent, with the increase in electricity at 9.7 per cent it is to be expected that the increase in revenue will exceed the inflation target figures. However, the outcome is lower than it might be due to the slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

10.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyze the underlying assumed collection rate for the MTREF to determine the relevance and creditability of the budget assumptions contained in the budget. It can be seen that the outcome is at 88.9 , 87.1 and 87.1 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 95 per cent performance target, the cash flow statement has been conservatively determined. In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

10.5.7 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 70 per cent timing discount has been factored into the cash position forecasted over the entire financial year. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

10.5.8 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for.

10.5.9 Consumer debtors change (Current and non-current)

The purpose of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. These are 2 measures shown for this factor; the change in current debtors and the change in long term receivable, both from the Budgeted Financial Position. Both measure show a relatively stable trend in line with the Municipality's policy of settling debtors accounts within 30 days.

10.5.10 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because that a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

10.5.11 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets.

10.6 Particulars of rates, refuse, electricity tariffs and other charges:

When the rates, electricity and refuse tariffs and other charges were revised, the following were taken into account:

- The wage agreements with unions.
- Other input costs of services provided by the Council
- The need to ensure financial sustainability
- Local economic conditions
- The affordability of services, taking into consideration the Council's indigent policy
- Relevant policy developments in the different sectors.

10.6.1 The tariffs for consideration are attached as **Annexure 1 , Pages 105 -116**

10.7 EFFECT OF TARIFF INCREASES ON CUSTOMERS ACCOUNTS													
2014/2015													
SMALL RESIDENTIAL MTUNZINI													
ERF 31 MTZ	2013/2014 FINANCIAL YEAR					ERF 31 MTZ	2014/2015 FINANCIAL YEAR					2015/2016	2016/2017
DETAILS	M/VALUE	TOTAL	VAT	TOTAL		DETAILS	M/VALUE	TOTAL	VAT	TOTAL	% INCREASE		
Rates	679 100	589.00		589.00		Rates	679 100	621.98		621.98	5.60%	655.57	690.97
Refuse		111.91	15.67	127.58		Refuse		118.18	16.55	134.73	5.60%	124.56	131.29
				716.57						756.71	5.60%	780.13	822.26
MEDIUM RESIDENTIAL MTUNZINI													
ERF 274 MTZ	2013/2014 FINANCIAL YEAR					ERF 274 MTZ	2014/2015 FINANCIAL YEAR					2014/2015	2014/2015
DETAILS	M/VALUE	TOTAL	VAT	TOTAL		DETAILS	M/VALUE	TOTAL	VAT	TOTAL	% INCREASE		
Rates	961 600	864.44		864.44		Rates	961 600	912.84		912.84	5.60%	962.14	1 014.09
Refuse		111.91	15.67	127.58		Refuse		118.18	16.55	134.73	5.60%	124.56	131.29
				992.01						1 047.57	5.60%	1 086.70	1 145.38
LARGE RESIDENTIAL MTUNZINI													
ERF 273 MTZ	2013/2014 FINANCIAL YEAR					ERF 273 MTZ	2014/2015 FINANCIAL YEAR					2014/2015	2014/2015
DETAILS	M/VALUE	TOTAL	VAT	TOTAL		DETAILS	M/VALUE	TOTAL	VAT	TOTAL	% INCREASE		
Rates	2 691 100	2 550.70		2 550.70		Rates	2 691 100	2 693.54		2 693.54	5.60%	2 838.99	2 992.29
Refuse		111.91	15.67	127.58		Refuse		118.18	16.55	134.73	5.60%	124.56	131.29
				2 678.27						2 828.26	5.60%	2 963.55	3 123.58
SMALL RESIDENTIAL GINGINDLOVU													
ERF 54 GING	2013/2014 FINANCIAL YEAR					ERF 54 GING	2014/2015 FINANCIAL YEAR					2014/2015	2014/2015
DETAILS	M/VALUE	TOTAL	VAT	TOTAL		DETAILS	M/VALUE	TOTAL	VAT	TOTAL	% INCREASE		
Rates	404 400	321.17		321.17		Rates	404 400	339.15		339.15	5.60%	357.46	376.77
Refuse		111.91	15.67	127.58		Refuse		118.18	16.55	134.73	5.60%	124.56	131.29
				448.74						473.88	5.60%	482.03	508.06
MEDIUM RESIDENTIAL GINGINDLOVU													
ERF 51/01 GING	2013/2014 FINANCIAL YEAR					ERF 51/01	2014/2015 FINANCIAL YEAR					2014/2015	2014/2015
DETAILS	M/VALUE	TOTAL	VAT	TOTAL		DETAILS	M/VALUE	TOTAL	VAT	TOTAL	% INCREASE		
Rates	560 000	472.88		472.88		Rates	560 000	499.36		499.36	5.60%	526.32	554.74
Refuse		111.91	15.67	127.58		Refuse		118.18	16.55	134.73	5.60%	124.56	131.29
				600.45						634.08	5.60%	650.88	686.03
LARGE RESIDENTIAL GINGINDLOVU													
ERF 115 GING	2013/2014 FINANCIAL YEAR					ERF 115 GING	2014/2015 FINANCIAL YEAR					2014/2015	2014/2015
DETAILS	M/VALUE	TOTAL	VAT	TOTAL		DETAILS	M/VALUE	TOTAL	VAT	TOTAL	% INCREASE		
Rates	605 000	516.75		516.75		Rates	605 000	545.69		545.69	5.60%	575.16	606.21
Refuse		111.91	15.67	127.58		Refuse		118.18	16.55	134.73	5.60%	124.56	131.29
				644.33						680.41	5.60%	699.72	737.50

2014/2015 EFFECT OF TARIFF INCREASES ON CUSTOMERS ACCOUNTS																
SMALL RESIDENTIAL ESHOWE																
ERF 969 ESH								2014/2015 FINACIAL YEAR								
DETAILS	0-50KWH	51-350KWH	351-600KWH	600->KWH	TOTAL	VAT	TOTAL	DETAILS	0-50KWH	51-350KWH	351-600KWH	600->KWH	TOTAL	VAT	TOTAL	% INCREASE
Unit Cost Per KWH	0.70	0.87	1.16	1.18				Unit Cost Per KWH	0.77	0.95	1.27	1.29				
Consumption (600 Units)	50	300		0				Consumption (600 Units)	50	300		0				
	35.00	261.00	0.00	0.00	296.00	41.44	337.44		38.50	285.00	0.00	0.00	323.50	45.29	368.79	9.29%
Service Charge					177.72	24.88	202.60	Service Charge					194.96	27.29	222.25	9.70%
Rates	469 400				384.54		384.54	Rates	469 400				406.07		406.07	5.60%
Refuse					111.91	15.67	127.58	Refuse					118.18	16.55	134.73	5.60%
							1 052.16								1 131.84	7.57%
MEDIUM RESIDENTIAL ESHOWE																
ERF 241 ESH								2014/2015 FINACIAL YEAR								
DETAILS	0-50KWH	51-350KWH	351-600KWH	600->KWH	TOTAL	VAT	TOTAL	DETAILS	0-50KWH	51-350KWH	351-600KWH	600->KWH	TOTAL	VAT	TOTAL	% INCREASE
Unit Cost Per KWH	0.7	0.87	1.16	1.18				Unit Cost Per KWH	0.77	0.95	1.27	1.29				
Consumption (1500 Units)	50	300	250	900				Consumption (1500 Units)	50	300	250	900				
	35.00	261.00	290.00	1 062.00	1 648.00	230.72	1 878.72		38.50	285.00	317.50	1 161.00	1 802.00	252.28	2 054.28	9.34%
Service Charge					177.72	24.88	202.60	Service Charge					194.96	27.29	222.25	9.70%
Rates	844 700				750.46		750.46	Rates	844 700				792.48		792.48	5.60%
Refuse					111.91	15.67	127.58	Refuse					118.18	16.55	134.73	5.60%
							2 959.36								3 203.74	8.26%
LARGE RESIDENTIAL ESHOWE																
ERF 389 ESH								2014/2015 FINACIAL YEAR								
DETAILS	0-50KWH	51-350KWH	351-600KWH	600->KWH	TOTAL	VAT	TOTAL	DETAILS	0-50KWH	51-350KWH	351-600KWH	600->KWH	TOTAL	VAT	TOTAL	% INCREASE
Unit Cost Per KWH	0.7	0.87	1.16	1.18				Unit Cost Per KWH	0.77	0.95	1.27	1.29				
Consumption (2100 Units)	50	300	250	1500				Consumption (2100 Units)	50	300	250	1500				
	35.00	261.00	290.00	1 770.00	2 356.00	329.84	2 685.84		38.50	285.00	317.50	1 935.00	2 576.00	360.64	2 936.64	9.34%
Service Charge					177.72	24.88	202.60	Service Charge					194.96	27.29	222.25	9.70%
Rates	1 450 000				1 340.63		1 340.63	Rates	1 450 000				1 415.70		1 415.70	5.60%
Refuse					111.91	15.67	127.58	Refuse					118.18	16.55	134.73	5.60%
							4 356.64								4 709.32	8.10%

2014/2015 EFFECT OF TARIFF INCREASES ON CUSTOMERS ACCOUNTS																
SMALL RESIDENTIAL KING DINUZULU																
2013/2014 FINANCIAL YEAR								2014/2015 FINANCIAL YEAR								
ERF 568 KDS								ERF 568 KDS								
DETAILS	0-50KWH	51-350KWH	351-600KWH	600>KWH	TOTAL	VAT	TOTAL	DETAILS	0-50KWH	51-350KWH	351-600KWH	600>KWH	TOTAL	VAT	TOTAL	% INCREASE
Unit Cost Per KWH	0.70	0.87	1.16	1.18				Unit Cost Per KWH	0.77	0.95	1.27	1.29				
Consumption (350 Units)	50	300	0	0				Consumption (350 Units)	50	300						
	35.00	261.00	0.00	0.00	296.00	41.44	337.44		38.50	285.00	0.00	0.00	323.50	45.29	368.79	9.29%
Service Charge					177.72	24.88	202.60	Service Charge					194.96	27.29	222.25	9.70%
Rates	228 900				150.05		150.05	Rates	228 900				158.46		158.46	5.60%
Refuse					111.91	15.67	127.58	Refuse					118.18	16.55	134.73	5.60%
							817.67								884.23	8.14%
MEDIUM RESIDENTIAL KING DINUZULU																
2013/2014 FINANCIAL YEAR								2014/2015 FINANCIAL YEAR								
ERF 888 KDS								ERF 888 KDS								
DETAILS	0-50KWH	51-350KWH	351-600KWH	600>KWH	TOTAL	VAT	TOTAL	DETAILS	0-50KWH	51-350KWH	351-600KWH	600>KWH	TOTAL	VAT	TOTAL	% INCREASE
Unit Cost Per KWH	0.7	0.87	1.16	1.18				Unit Cost Per KWH	0.77	0.95	1.27	1.29				
Consumption (599 Units)	50	300	249	0				Consumption (599 Units)	50	300	249					
	35.00	261.00	288.84	0.00	584.84	81.88	666.72		38.50	285.00	316.23	0.00	639.73	89.56	729.29	9.39%
Service Charge					177.72	24.88	202.60	Service Charge					194.96	27.29	222.25	9.70%
Rates	413 100				329.65		329.65	Rates	413 100				348.11		348.11	5.60%
Refuse					111.91	15.67	127.58	Refuse					118.18	16.55	134.73	5.60%
							1 326.54								1 434.38	8.13%
LARGE RESIDENTIAL KING DINUZULU																
2013/2014 FINANCIAL YEAR								2014/2015 FINANCIAL YEAR								
ERF 904 KDS								ERF 904 KDS								
DETAILS	0-50KWH	51-350KWH	351-600KWH	600>KWH	TOTAL	VAT	TOTAL	DETAILS	0-50KWH	51-350KWH	351-600KWH	600>KWH	TOTAL	VAT	TOTAL	% INCREASE
Unit Cost Per KWH	0.7	0.87	1.16	1.18				Unit Cost Per KWH	0.77	0.95	1.27	1.29				
Consumption (1050 Units)	50	300	250	450				Consumption (1050 Units)	50	300	250	450				
	35.00	261.00	290.00	531.00	1 117.00	156.38	1 273.38		38.50	285.00	317.50	580.50	1 221.50	171.01	1 392.51	9.36%
Service Charge					177.72	24.88	202.60	Service Charge					194.96	27.29	222.25	9.70%
Rates	511 900				425.98		425.98	Rates	511 900				449.83		449.83	5.60%
Refuse					111.91	15.67	127.58	Refuse					118.18	16.55	134.73	5.60%
							2 029.54								2 199.32	8.37%

10.8 Debtor's collection levels

The Finance Department endeavors to improve the collection levels of the outstanding debtor accounts by implementing the following:

- To execute termination of electricity supply by looking at the total outstanding account on the premises. This means that the electricity supply will be terminated if property rates is outstanding on the property
- To block the sale of pre paid electricity by looking at the total outstanding account, including property rates on the premises.
- An improved structure for arrangements and extensions of time for payment of outstanding debt.
- Quarterly meetings with the Council's attorneys to discuss problem areas on handed over cases.

10.9 Planned savings and efficiencies over the medium term revenue and expenditure framework

The following savings and efficiencies were discussed at management and Executive Committee level:

- Cut down on nice to have items in the operating expenditure and capital budgets.
- Cut down on unnecessary subsistence and travel to workshops and meetings that do not add value to the Council's operations.
- Managers of departments are instructed to improve the control of the overtime of their staff.
- The implementation plans in terms of the IDP must be developed and implemented in house by the relevant departments. Avoid the appointment of consultants.
- The Manager: Protection Services must ensure the productive utilization of the speeding camera/cameras
- To enhance the revenue on waste management, the Manager: Engineering services must identify which consumers are placing a burden on the waste transfer station.

10.10 Investments

At present the Council does not have investments to fund the operating or capital expenditure. The investment portfolio for the Council is investments for conditional grants received from National Treasury.

10.11 Planned proceeds from the lease of assets

Rental Facilities		
Description	Budgeted Amount for 2013/2014	Budgeted Amount for 2014/2015
Hire of Halls & Equipment	141 260	149 170
Hire of Building(Sportsclub)	8 880	9 380
Mtunzini Sugar Cane Farm	433 100	457 350
Rent – Sugar Cane Lease (Eshowe)	412 900	436 020
Rent – Sundry	135 150	142 040
Leases – Land Ging	105 800	111 720
Rent Received (Staff housing)	64 040	67 630
Total Budgeted for Rental Facilities	1 301 130	1 373 310

10.12 Planned use of bank overdraft

- The Council's primary bank account is with First National Bank in Eshowe
- The overdraft facility at the bank is R2 500 000.
- It is envisaged that use will be made of the bank overdraft facility during the 2014/2015 budget year, due to payment of large amounts for capital projects while waiting for transfer of government grants

10.13 New borrowing proposed to be raised.

There is no capital project in the 2014/2015 budget year that requires external funding.

11. EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

11.1 The Expenditure on allocation and grant programmes are as follows:

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		53 055	64 213	88 027	92 858	102 390	102 390	119 510	152 667	156 031
Local Government Equitable Share		50 439	60 650	76 090	80 218	82 861	82 861	102 776	130 750	135 970
Municipal Systems Improvement		750	1 340	800	890	890	890	934	967	1 019
Finance Management		1 176	1 323	1 500	1 550	1 550	1 550	1 600	1 650	1 742
Integrated National Electrification Programme		–	–	8 130	8 000	14 870	14 870	12 000	17 000	15 000
EPWP Incentive		–	–	981	1 000	1 019	1 019	1 000	1 000	1 000
Project Management Unit (MIG Projects)		690	900	526	1 200	1 200	1 200	1 200	1 300	1 300
Provincial Government:		3 283	4 935	2 188	3 343	3 942	3 942	3 525	3 698	3 896
Health subsidy		3 090	2 576	201						
HOUSING				251		425	425			
PIPMA DTLGA - IDM										
PT: Community Library Services			1 237	1 298	2 726	2 726	2 726	2 876	3 008	3 170
PT: Provincialisation of Libraries			4							
COGTA: Establishment of Pound Grant			291	97		22	22			
PT: Greenest Municipality		–	125	134	143	143	143	151	166	175
Museum Subsidy		73	512							
COGTA : Groundnut Activities										
Gratuity Payment: Non-returning councillors										
Library Cyber Cadet KDS GR50		120	190	204	259	411	411	272	286	301
Subsidy Road Maintenance		0								
Property rates					15	15	15	15	15	15
Community Participation in IDP's					200	200	200	211	223	235
Information Signs R66				3						
District Municipality:		1 178	626	483	557	557	557	589	620	654
Uthungulu District Grant: Salary Claims		852	626	483	557	557	557	589	620	654
Uthungulu District Grant: Zulu Dance		20								
Uthungulu District Grant: Capacity Building										
Uthungulu District Grant: Information Signs R66		281								
Capacity Building BDPCB -UDM		25								
Other grant providers:		–	–	–	–	–	–	–	–	–
IDP REVIEW		–								
Total operating expenditure of Transfers and Grants:		57 516	69 774	90 698	96 758	106 889	106 889	123 624	156 985	160 581
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		22 488	24 094	32 602	42 476	44 997	44 997	44 767	54 116	59 589
Municipal Infrastructure Grant (MIG)		16 910	17 594	24 986	31 367	36 531	36 531	36 323	39 113	41 935
Municipal Systems Improvement Grant								100		
Equitable Share		5 578	6 500	7 616	11 109	8 467	8 467	8 344	15 003	17 654
Provincial Government:		–	–	1 068	–	–	–	–	–	–
Other capital transfers/grants [insert description]				1 068						
District Municipality:		–	–	–	–	–	–	–	–	–
Uthungulu District Grant: Salary Claims										
Other grant providers:		922	1 364	–	–	–	–	–	–	–
Department Of Sports and Recreation										
Project Consolidate										
Library Services										
Department Of Minerals & Energy		922								
Department of Economic Development			1 364							
Development Bank of South Africa										
Total capital expenditure of Transfers and Grants		23 410	25 458	33 670	42 476	44 997	44 997	44 767	54 116	59 589
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		80 926	95 232	124 368	139 234	151 886	151 886	168 391	211 101	220 170

11.2 Hereunder follows the proposed equitable share allocations for the next 3 budget years

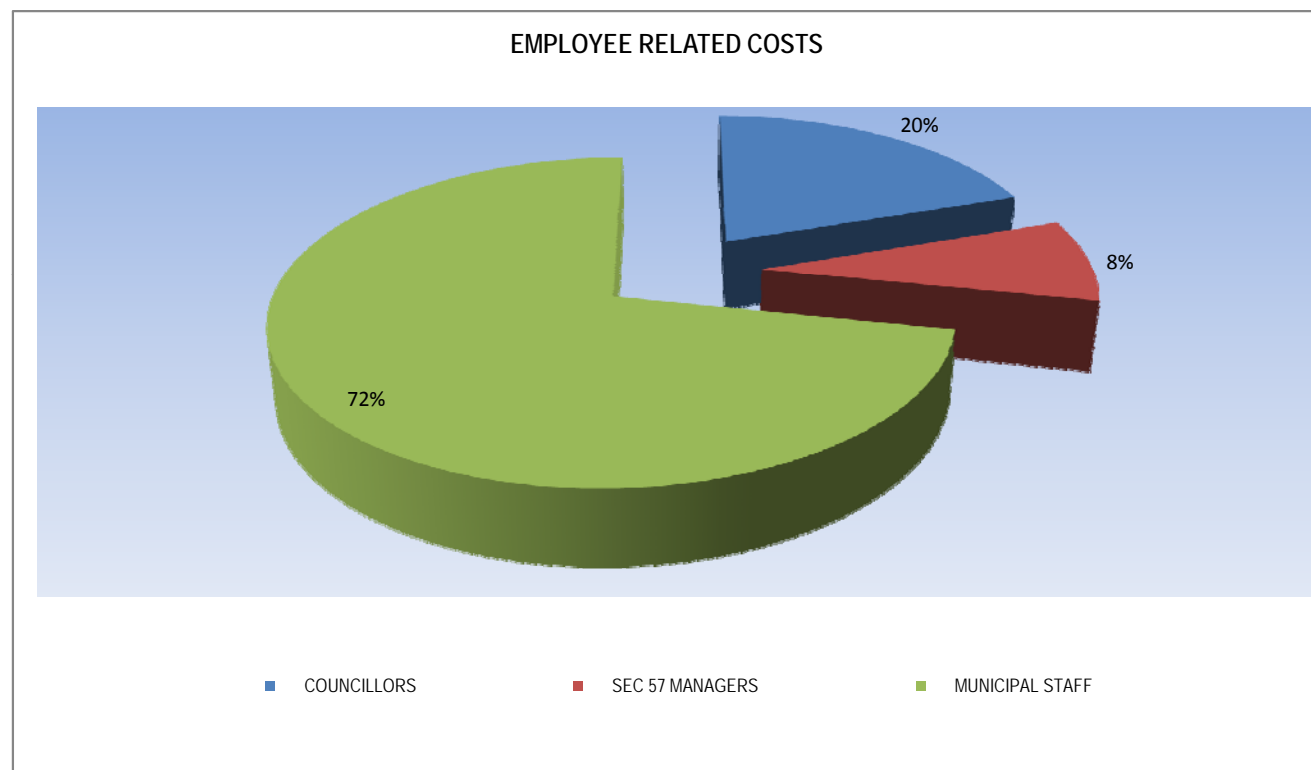
DETAILS	2014/2015 (R)	2015/2016 (R)	2016/2017 (R)
International relations	150 000	300 000	300 000
Land use management system	1 000 000	1 000 000	-
Care taking: rural buildings	200 000	400 000	450 000
Youth development	600 000	1 300 000	1 300 000
Early childhood development	300 000	350 000	400 000
Community support programme	300 000	350 000	350 000
Local economic development (LED)	2 224 750	4 268 160	4 421 360
Youth business advisory centre	150 000	300 000	350 000
Ceremonial events	100 000	150 000	200 000
Commemorative celebrations	100 000	150 000	200 000
Rates relief	50 601 900	71 754 960	75 595 290
Depreciation on assets contribution	6 508 190	6 859 630	7 230 050
Poverty alleviation	2 800 200	4 870 920	4 922 730
Ward committee expenses	2 000 000	2 500 000	2 554 160
Re-valuation of properties	2 900 000	1 000 000	-
Councillor's remuneration	8 969 000	9 310 000	9 812 740
Animal pound facility	712 420	750 890	791 440
Rural fire prevention	300 000	400 000	500 000
Disaster assistance	518 450	1 600 000	1 700 000
Humanitarian assistance	600 000	700 000	800 000
Sport development	512 000	1 300 000	1 350 000
Cultural development	300 000	350 000	400 000
Special programmes	585 000	650 000	700 000
Operation Sukuma Sakhe	250 000	400 000	550 000
Local Aids Council	350 000	600 000	650 000
Work creation projects	1 003 070	2 419 110	2 500 000
Sports fields - security	323 600	339 780	356 770
Rural grounds maintenance	200 000	1 500 000	1 700 000
Rural roads and causeways	8 000 000	8 850 000	9 350 000
Free refuse	1 551 430	1 635 210	1 723 510
Solid waste relief	2 345 850	2 619 420	2 760 870
Free electricity	1 198 860	1 271 730	1 350 740
Increase in Eskom supply	4 971 770	-	-
Electricity metering audit	150 000	500 000	700 000
Capital projects contribution	8 434 710	15 003 190	17 654 000
	111 120 000	145 753 000	153 623 660

12. COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

12.1 Summary of Councillors and Staff Benefits

Summary of Employee and Councillor remuneration	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Councillors (Political Office Bearers plus Other)	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		6 787	7 514	9 446	9 446	9 316	9 316	10 512	11 240	12 018
Pension and UIF Contributions		785	874	1 047	752	685	685	837	895	956
Medical Aid Contributions		123	102	52	295	269	269	310	341	375
Motor Vehicle Allowance		2 642	2 890	2 135	3 498	3 186	3 186	3 887	4 159	4 450
Cellphone Allowance		579	639	53	704	641	641	1 161	1 242	1 329
Housing Allowances		38	41	–	–	–	–	–	–	–
Other benefits and allowances		–	–	–	–	–	–	187	187	187
Sub Total - Councillors		10 954	12 059	12 733	14 695	14 097	14 097	16 895	18 064	19 315
% increase	4		10.1%	5.6%	15.4%	(4.1%)	–	19.8%	6.9%	6.9%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		3 876	3 870	5 479	5 028	5 028	5 028	5 135	5 406	5 811
Pension and UIF Contributions		693	707	744	604	604	604	276	648	696
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		629	765	591	553	156	156	822	913	977
Motor Vehicle Allowance		649	777	615	416	416	416	866	416	416
Cellphone Allowance	3	60	60	–	84	84	84	108	108	108
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	48	48	48	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		5 906	6 179	7 428	6 733	6 336	6 336	7 207	7 492	8 009
% increase	4		4.6%	20.2%	(9.4%)	(5.9%)	–	13.8%	3.9%	6.9%
Other Municipal Staff										
Basic Salaries and Wages		31 163	32 482	32 785	38 721	36 190	36 190	42 170	45 211	48 349
Pension and UIF Contributions		5 454	5 524	5 953	8 265	6 831	6 831	8 086	8 299	8 877
Medical Aid Contributions		1 746	1 844	1 959	2 487	2 308	2 308	2 644	2 890	3 159
Overtime		2 265	2 585	2 749	3 095	3 001	3 001	3 293	4 456	4 768
Performance Bonus		54	(43)	–	0	0	0	–	(0)	0
Motor Vehicle Allowance	3	1 733	1 540	1 590	2 067	2 721	2 721	2 569	3 259	3 516
Cellphone Allowance	3	(60)	(60)	–	(84)	(84)	(84)	(108)	(108)	(108)
Housing Allowances	3	141	143	299	148	120	134	134	144	154
Other benefits and allowances	3	1 463	1 202	1 439	1 926	2 720	2 720	4 328	23 403	25 027
Long service awards		–	479	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		43 960	45 696	46 773	56 625	53 806	53 806	63 117	87 554	93 742
% increase	4		3.9%	2.4%	21.1%	(5.0%)	–	17.3%	38.7%	7.1%
Total Parent Municipality		60 821	63 934	66 934	78 053	74 239	74 239	87 219	113 110	121 066
TOTAL SALARY, ALLOWANCES & BENEFITS		60 821	63 934	66 934	78 053	74 239	74 239	87 219	113 110	121 066
% increase	4		5.1%	4.7%	16.6%	(4.9%)	–	17.5%	29.7%	7.0%
TOTAL MANAGERS AND STAFF	5,7	49 867	51 875	54 201	63 358	60 142	60 142	70 324	95 046	101 750

BUDGET - EMPLOYEE RELATED COSTS	
2014/2015 MTREF	
DESCRIPTION	BUDGET YEAR 2014/2015 R'000
COUNCILLORS	16 894
SEC 57 MANAGERS	7 207
MUNICIPAL STAFF	61 316
TOTAL EXPENDITURE	85 417



12.2 Salaries, allowances and benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	389 880	45 285	170 984			606 149
Chief Whip		1	321 213	86 755	161 918			569 886
Executive Mayor		1	439 391	104 564	207 247			751 202
Deputy Executive Mayor		1	435 164	–	170 984			606 148
Executive Committee		8	3 018 955	244 780	1 295 342			4 559 077
Total for all other councillors		40	5 907 776	665 931	3 228 386			9 802 093
Total Councillors	8	52	10 512 379	1 147 315	5 234 860			16 894 554
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 099 948	203 779	–	182 522		1 486 249
Chief Finance Officer		1	747 754	118 808	69 405	128 515		1 064 482
Deputy City Manager - Corporate Services		1	711 078	1 785	146 330	117 767		976 960
Deputy City Manager - Protection Services		1	718 301	16 151	126 000	117 943		978 395
Deputy City Manager - Community Services		1	695 736	1 785	162 000	117 813		977 334
Deputy City Manager - Engineering Services		1	681 768	15 420	162 004	117 767		976 959
<i>List of each official with packages >= senior manager</i>								
Deputy Municipal Manager		1	–	–	–	–		–
Deputy Chief Financial Officer		1	480 557	98 076	128 103	–		706 736
								–
Total Senior Managers of the Municipality	8,10	8	5 135 142	455 803	793 843	782 327		7 167 115
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	60	15 647 521	1 603 118	6 028 703	782 327		24 061 669

12.3 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2012/13			Current Year 2013/14			Budget Year 2014/15		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		52	4	48	52	4	48	52	8	44
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	7		7	7		7	7	1	6
Other Managers	7	8	8		8	8		10	8	2
Professionals		12	12	-	12	12	-	6	6	-
<i>Finance</i>		5	5		5	5		6	6	
<i>Spatial/town planning</i>		6	6		6	6		-	-	
<i>Other</i>		1	1		1	1		-	-	
Technicians		279	279	-	279	279	-	289	272	17
<i>Finance</i>		18	18		18	18		20	20	
<i>Spatial/town planning</i>		31	31		31	31		36	36	
<i>Information Technology</i>		4	4		4	4		-	-	
<i>Roads</i>		27	27		27	27		32	32	
<i>Electricity</i>		23	23		23	23		-	-	
<i>Refuse</i>		26	26		26	26		28	28	
<i>Other</i>		150	150		150	150		173	156	17
Clerks (Clerical and administrative)		13	13		13	13		17	15	2
TOTAL PERSONNEL NUMBERS	9	371	316	55	371	316	55	381	310	71
% increase					-	-	-	2.7%	(1.9%)	29.1%
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

13. MONTHLY TARGETS FOR REVENUE AND CASHFLOW

13.1 Hereunder follows a consolidation for revenue by source and expenditure by type

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand															
Cash Receipts By Source													1		
Property rates	2 110	4 713	4 247	1 881	3 102	4 241	2 034	2 223	2 317	2 367	2 230	(454)	31 010	32 740	34 204
Property rates - penalties & collection charges	48	48	48	48	48	48	48	48	48	48	48	48	581	613	646
Service charges - electricity revenue	3 835	4 519	3 900	4 560	4 446	3 271	4 139	4 296	4 500	4 272	3 978	4 959	50 675	53 978	58 496
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	698	766	794	745	818	664	1 166	694	782	775	811	466	9 069	9 028	9 490
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	114	114	114	114	114	114	114	114	114	114	114	114	1 373	1 447	1 359
Interest earned - external investments	217	217	217	217	217	217	217	217	217	217	217	217	2 600	2 700	2 800
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	238	325	221	270	266	211	152	201	292	312	350	286	2 968	3 128	3 471
Licences and permits	343	295	402	289	304	227	348	288	337	262	350	17	3 462	3 649	4 049
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	46 048	7 421	3 151	-	42 192	3 000	-	300	28 067	-	-	(6 555)	123 624	156 985	160 582
Other revenue	91	91	91	91	91	91	91	91	91	91	91	91	1 089	2 589	2 352
Cash Receipts by Source	53 743	18 510	13 185	8 214	51 599	12 083	8 309	8 473	36 765	8 458	8 190	(811)	226 453	266 857	277 448
Other Cash Flows by Source															
Transfer receipts - capital	15 009				10 506				12 007			7 244	44 767	54 116	59 589
Contributions recognised - capital & Contributed assets												-			
Proceeds on disposal of PPE											200	-	200	200	200
Short term loans												-			
Borrowing long term/refinancing												-			
Increase (decrease) in consumer deposits	16	16	16	16	16	16	16	16	16	16	16	16	190	174	52
Decrease (Increase) in non-current debtors						(3)						(2)	(5)	(3)	2
Decrease (Increase) other non-current receivables												-			
Decrease (Increase) in non-current investments												-			
Total Cash Receipts by Source	68 768	18 526	13 201	8 230	62 121	12 096	8 325	8 489	48 788	8 474	8 405	6 446	271 605	321 344	337 291
Cash Payments by Type															
Employee related costs	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	5 860	70 324	95 045	101 750
Remuneration of councillors	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	1 408	16 895	18 064	19 315
Finance charges			492						479			43	1 014	753	794
Bulk purchases - Electricity	513	4 912	6 142	2 735	578	6 146	3 030	3 682	3 403	3 096	3 342	3 424	41 003	44 609	47 563
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	2 287	27 449	26 812	24 894
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	215	215	215	215	215	215	215	745	215	215	215	410	3 305	3 486	3 678
Other expenditure	6 560	6 560	6 560	6 560	6 560	6 560	6 560	6 560	6 560	6 560	6 560	6 560	78 715	87 596	92 661
Cash Payments by Type	16 843	21 242	22 964	19 065	16 908	22 477	19 360	20 542	20 213	19 426	19 672	19 992	238 704	276 365	290 655
Other Cash Flows/Payments by Type															
Capital assets	2 599	2 029	2 813	5 368	3 675	3 606	2 011	2 474	3 974	2 354	1 702	3 802	36 406	41 311	45 198
Repayment of borrowing	-	-	-	-	-	-	-	-	(343)	-	-	-	(343)	(343)	(343)
Other Cash Flows/Payments															
Total Cash Payments by Type	19 441	23 271	25 777	24 433	20 584	26 083	21 372	23 016	23 844	21 780	21 373	23 793	274 767	317 333	335 510
NET INCREASE/(DECREASE) IN CASH HELD	49 327	(4 745)	(12 576)	(16 203)	41 537	(13 987)	(13 047)	(14 527)	24 944	(13 306)	(12 968)	(17 347)	(3 162)	4 011	1 781
Cash/cash equivalents at the month/year begin:	45 451	94 778	90 032	77 456	61 253	102 791	88 804	75 757	61 230	86 174	72 868	59 900	45 451	42 289	46 300
Cash/cash equivalents at the month/year end:	94 778	90 032	77 456	61 253	102 791	88 804	75 757	61 230	86 174	72 868	59 900	42 553	42 289	46 300	48 081

13.2 Hereunder follows a consolidation for revenue by source and expenditure by type

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue - Standard																
Governance and administration		10 098	10 098	10 098	10 098	10 098	10 098	10 098	10 098	10 098	10 098	10 098	10 098	121 173	149 175	154 352
Executive and council		9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	9 780	117 359	145 244	151 257
Budget and treasury office		204	204	204	204	204	204	204	204	204	204	204	204	2 453	2 551	2 693
Corporate services		113	113	113	113	113	113	113	113	113	113	113	113	1 362	1 381	402
Community and public safety		1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	14 337	20 332	21 687
Community and social services		319	319	319	319	319	319	319	319	319	319	319	319	3 830	4 209	4 299
Sport and recreation		225	225	225	225	225	225	225	225	225	225	225	225	2 704	5 499	5 864
Public safety		373	373	373	373	373	373	373	373	373	373	373	373	4 475	5 854	6 262
Housing		12	12	12	12	12	12	12	12	12	12	12	12	143	150	158
Health		265	265	265	265	265	265	265	265	265	265	265	265	3 186	4 620	5 104
Economic and environmental services		1 189	1 189	1 189	1 189	1 189	1 189	1 189	1 189	1 189	1 189	1 189	1 189	14 272	15 442	16 174
Planning and development		220	220	220	220	220	220	220	220	220	220	220	220	2 642	2 766	2 791
Road transport		969	969	969	969	969	969	969	969	969	969	969	969	11 631	12 677	13 383
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		7 451	7 451	7 451	7 451	7 451	7 451	7 451	7 451	7 451	7 451	7 451	7 451	89 412	98 042	102 460
Electricity		6 265	6 265	6 265	6 265	6 265	6 265	6 265	6 265	6 265	6 265	6 265	6 265	75 185	82 900	86 531
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		0	0	0	0	0	0	0	0	0	0	0	0	1	1	1
Waste management		1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	14 226	15 141	15 928
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		19 933	19 933	19 933	19 933	19 933	19 933	19 933	19 933	19 933	19 933	19 933	19 933	239 194	282 992	294 673
			36 518		36 518		36 518		36 518		36 518		36 518			
Expenditure - Standard																
Governance and administration		6 939	6 939	6 939	6 939	6 939	6 939	6 939	6 939	6 939	6 939	6 939	6 939	83 274	111 530	115 048
Executive and council		5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	63 170	90 395	93 560
Budget and treasury office		1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	1 061	12 731	13 536	14 435
Corporate services		614	614	614	614	614	614	614	614	614	614	614	614	7 374	7 599	7 053
Community and public safety		3 880	3 880	3 880	3 880	3 880	3 880	3 880	3 880	3 880	3 880	3 880	3 880	46 554	54 488	58 214
Community and social services		472	472	472	472	472	472	472	472	472	472	472	472	5 666	6 007	6 322
Sport and recreation		860	860	860	860	860	860	860	860	860	860	860	860	10 318	13 624	14 538
Public safety		2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	2 050	24 603	27 255	29 054
Housing		13	13	13	13	13	13	13	13	13	13	13	13	156	165	174
Health		484	484	484	484	484	484	484	484	484	484	484	484	5 810	7 437	8 127
Economic and environmental services		1 761	1 761	1 761	1 761	1 761	1 761	1 761	1 761	1 761	1 761	1 761	1 761	21 136	22 832	24 133
Planning and development		364	364	364	364	364	364	364	364	364	364	364	364	4 372	4 620	4 781
Road transport		1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	16 764	18 212	19 352
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		7 281	7 281	7 281	7 281	7 281	7 281	7 281	7 281	7 281	7 281	7 281	7 281	87 367	93 142	96 209
Electricity		5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	5 926	71 111	75 906	77 926
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		60	60	60	60	60	60	60	60	60	60	60	60	726	773	823
Waste management		1 294	1 294	1 294	1 294	1 294	1 294	1 294	1 294	1 294	1 294	1 294	1 294	15 531	16 464	17 460
Other		46	46	46	46	46	46	46	46	46	46	46	46	552	590	631
Total Expenditure - Standard		19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	19 907	238 883	282 582	294 235
Surplus/(Deficit) before assoc.		26	26	26	26	26	26	26	26	26	26	26	26	311	410	437
Share of surplus/ (deficit) of associate														-	-	-

13.3 Hereunder follows capital expenditure by vote

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE AND COUNCIL					550		128						-	678	20	30
Vote 2 - BUDGET AND TREASURY OFFICE					211	435	220						-	866	256	178
Vote 3 - CORPORATE SERVICES		280	280	693	1 043	693	1 513	413	413	2 513	413		-	8 250	1 644	7 761
Vote 4 - PLANNING AND DEVELOPMENT													-	-	-	-
Vote 5 - HEALTH							15	40					-	55	10	65
Vote 6 - COMMUNITY AND SOCIAL SERVICES							10	100	100	200			-	410	470	1 060
Vote 7 - HOUSING													-	-	-	-
Vote 8 - PUBLIC SAFETY					200	40	450						-	690	490	3 355
Vote 9 - SPORTS AND RECREATION		280	280	640	1 390	480	200	357	357	457	357	357	357	5 510	9 816	9 738
Vote 10 - WASTE MANAGEMENT		550			250								-	800	1 770	400
Vote 11 - ROAD TRANSPORT		3 221	2 821	3 396	5 188	3 928	2 860	2 583	3 354	3 354	3 154	2 479	5 979	42 318	41 377	39 521
Vote 12 - ELECTRICITY				120	250	350	380						-	1 100	3 163	2 460
Vote 13 - AIR TRANSPORT													-	-	-	-
Vote 14 - WORKSHOP													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	4 331	3 381	4 849	9 081	5 925	5 775	3 492	4 223	6 523	3 923	2 836	6 336	60 677	59 016	64 569
Total Capital Expenditure	2	4 331	3 381	4 849	9 081	5 925	5 775	3 492	4 223	6 523	3 923	2 836	6 336	60 677	59 016	64 569

14. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

The Draft Service Delivery And Budget Implementation Plan is attached as Annexure 2 , Pages 117 -139

15. Contract having future budgets implications

Hereunder follows the details of a contract which will impose financial obligations on the municipality beyond the three years covered in the annual budget:

Name	Description of Contract	Planned expenditure for duration of contract			
		2013/2014	2014/2015	2015/2016	2016/2017
<i>Service Provider for valuations</i>	<i>Current cost and third round of valuations</i>	R432 000	R3 200 000	R1 594 000	R488 400

16. CAPITAL EXPENDITURE DETAILS

16.1 Capital expenditure on new asset by assets class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue &		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		12 473	18 226	17 187	26 563	32 261	32 261	25 409	27 235	22 122
Infrastructure - Road transport		6 417	17 067	16 687	17 833	20 661	20 661	22 172	16 129	5 974
Roads, Pavements & Bridges		6 417	17 067	13 670	17 833	20 661	20 661	22 172	16 129	5 974
Storm water				3 018						
Infrastructure - Electricity		1 463	347	437	1 003	1 229	1 229	380	1 370	1 600
Generation		1 463	347	437	1 003	1 229	1 229	380	1 370	1 600
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		4 593	813	63	7 727	10 371	10 371	2 857	9 736	14 548
Waste Management		4 157	122	63	3 527	6 171	6 171	-	1 000	-
Transportation										
Gas										
Other										
	2									
	3	435	690	-	4 200	4 200	4 200	2 857	8 736	14 548
Community		5 362	3 086	5 048	3 400	3 800	3 800	5 940	6 026	15 459
Parks & gardens										
Sportsfields & stadia		1 781	1 120	1 000	2 000	1 400	1 400	3 540	5 476	8 138
Swimming pools		-		100	-	-	-		100	-
Community halls		744		127	1 000	800	800	1 700	-	3 076
Libraries										
Recreational facilities										
Fire, safety & emergency		50			-	-	-	300	-	3 125
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries		262		42	400	400	400	400	450	50
Social rental housing										
Other		2 525	1 966	3 779	-	1 200	1 200	-	-	1 070
	7									
	8									
	9									
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
	9									
Investment properties		1 866	800	-	-	-	-	3 250	-	-
Housing development		1 866	800	-	-	-	-	3 250	-	-
Other										
	10									
Other assets		2 351	1 439	4 202	1 762	1 853	1 853	2 479	1 507	1 869
General vehicles		1 488	432	2 754	960	994	994	1 050	200	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		658	758	966	540	547	547	936	990	1 557
Computers - hardware/equipment										
Furniture and other office equipment		204	249	482	262	312	312	493	317	312
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
	10									
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on new assets	1	22 052	23 552	26 436	31 725	37 914	37 914	37 078	34 768	39 450
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Ambulances										

16.2 Capital expenditure on the renewal of existing assets by class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		951	1 330	6 024	10 190	12 312	12 312	16 259	17 235	19 259
Infrastructure - Road transport		866	1 060	6 024	9 920	12 063	12 063	15 769	15 892	18 999
Roads, Pavements & Bridges		627	720	6 024	9 393	11 556	11 556	15 769	15 892	18 999
Storm water		239	340	-	527	507	507	-	-	-
Infrastructure - Electricity		85	140	-	140	119	119	270	1 343	260
Generation		85	140	-	140	119	119	270	1 343	260
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	130	-	130	130	130	220	-	-
Waste Management										
Transportation										
Gas										
Other										
Community		184	230	1 210	1 015	1 015	1 015	665	3 500	305
Parks & gardens				1 028		-	-			
Sportsfields & stadia						-	-			
Swimming pools					150	150	150	200	3 500	150
Community halls		184	230	182	865	865	865	-	-	-
Libraries						-	-			
Recreational facilities						-	-			
Fire, safety & emergency						-	-	450		150
Security and policing						-	-			
Buses						-	-			
Clinics						-	-			
Museums & Art Galleries						-	-			
Cemeteries						-	-			
Social rental housing						-	-			
Other						-	-	15		5
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	550	-	-
Housing development										
Other								550		
Other assets		223	347	-	3 046	3 003	3 003	6 124	3 513	5 555
General vehicles					2 730	2 687	2 687	2 390	1 680	900
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment					35	35	35	435	364	155
Computers - hardware/equipment		223	347	-	281	281	281	-	-	-
Furniture and other office equipment						-	-			
Abattoirs						-	-			
Markets						-	-			
Civic Land and Buildings						-	-			
Other Buildings						-	-	3 300	1 469	4 500
Other Land						-	-			
Surplus Assets - (Investment or Inventory)						-	-			
Other						-	-			
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of existing assets	1	1 357	1 907	7 234	14 251	16 330	16 330	23 598	24 249	25 119
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
Renewal of Existing Assets as % of total capex		5.8%	7.5%	21.5%	31.0%	30.1%	30.1%	38.9%	41.1%	38.9%
Renewal of Existing Assets as % of deprecn"		19.3%	25.3%	89.8%	166.7%	193.1%	193.1%	264.2%	257.6%	253.1%

16.3 Repairs and maintenance expenditure by class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		3 627	5 938	6 409	7 870	11 356	11 356	11 696	12 793	13 561
Infrastructure - Road transport		2 043	4 227	4 284	5 697	9 092	9 092	9 258	10 191	10 780
Roads, Pavements & Bridges		2 043	4 227	4 284	5 697	9 092	9 092	9 258	10 191	10 780
Storm water										
Infrastructure - Electricity		1 092	1 082	1 328	1 415	1 515	1 515	1 611	1 709	1 815
Generation		1 092	1 082	1 328	1 415	1 515	1 515	1 611	1 709	1 815
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		492	630	797	758	749	749	827	893	966
Waste Management		492	630	779	758	749	749	810	876	947
Transportation	2			6				7	7	8
Gas										
Other	3			12				10	10	11
Community		1 428	3 405	3 510	2 121	2 229	2 229	2 565	4 059	4 469
Parks & gardens		383	1 641	515	698	698	698	846	2 197	2 451
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		10	-	10	12	7	7	13	14	14
Community halls		215	641	1 840	313	333	333	90	96	103
Libraries		17	7	7	9	9	9	10	10	11
Recreational facilities		9	11	16	12	12	12	20	21	22
Fire, safety & emergency		313	389	408	430	543	543	590	642	698
Security and policing		468	550	681	589	589	589	908	986	1 072
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		6	23	28	-	-	-	48	52	55
Museums & Art Galleries		7	4	1	5	5	5	5	5	5
Cemeteries		2	139	4	53	33	33	35	36	38
Social rental housing	8				-	-	-			
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	47	-	-	-	56	59	62
Housing development				47				56	59	62
Other										
Other assets		450	670	575	997	13	13	1 323	1 426	1 534
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment				99				171	184	198
Computers - hardware/equipment										
Furniture and other office equipment				78				93	99	105
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings				74				328	348	369
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		450	670	324	997	13	13	733	795	863
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	5 505	10 013	10 541	10 988	13 598	13 598	15 639	18 336	19 626
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as % Operating Expenditure										

16.4 Future financial implications of the capital budget

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		3 104	7 548	8 056	2 993	2 993	2 993	8 932	9 414	9 924
Infrastructure - Road transport		931	6 373	6 885	952	952	952	7 634	8 046	8 481
Roads, Pavements & Bridges		931	6 373	6 885	952	952	952	7 634	8 046	8 481
Storm water										
Infrastructure - Electricity		1 791	729	720	2 041	2 041	2 041	798	841	887
Generation		1 791	729	720	2 041	2 041	2 041	798	841	887
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		382	446	451	-	-	-	500	527	556
Waste Management		382	446	451	-	-	-	500	527	556
Transportation										
Gas	2									
Other	3									
Community		3 415	-	-	4 445	4 445	4 436	-	-	-
Parks & gardens		244			424	424	424	-	-	-
Sportsfields & stadia					-	-	-	-	-	-
Swimming pools		25			121	121	121	-	-	-
Community halls		195			242	242	242	-	-	-
Libraries		347			420	420	420	-	-	-
Recreational facilities					-	-	-	-	-	-
Fire, safety & emergency					-	-	-	-	-	-
Security and policing		675			968	968	968	-	-	-
Buses					-	-	-	-	-	-
Clinics	7	31			38	38	38	-	-	-
Museums & Art Galleries		9			10	10	1	-	-	-
Cemeteries		11			61	61	61	-	-	-
Social rental housing	8				-	-	-	-	-	-
Other		1 877			2 161	2 161	2 161	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		519	-	-	1 110	1 110	1 110	-	-	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		519			1 110	1 110	1 110	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Depreciation	1	7 038	7 548	8 056	8 548	8 548	8 539	8 932	9 414	9 924
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

17. LEGISLATION COMPLIANCE STATUS

The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) became effective on 1 July 2004. Elements of the act have been phased in according to capacity of each municipality – high, medium and low.

The LG:MFMA has introduced significant changes to the financial management of local government. One of the main changes in budget preparation is that the single year, line item budgeting – which was a common feature of the previous practices – has been replaced by multi-year budgeting at a more strategic level.

The LG: MFMA aim to modernize budget and financial practices at all spheres of government, thereby facilitating effective service delivery. The general public plays an important role in ensuring a budget is set to reflect targeted service delivery. For example, during the budget preparation process, Section 21 of the LG: MFMA requires communities and residents within the municipal jurisdiction to be part of the Budget and Integrated Development Planning (IDP) processes. Section 8 of this report describes how this has been achieved.

Communities can also monitor the performance of the approved budget through regular reporting of the Service Delivery & Budget Implementation Plan (SDBIP) and the performance contracts of senior manager. These are prepared at the same time as the budget, thus ensuring alignment at the start of the financial year. Section 15 of this report provides some detail of the departmental SDBIP's that have been prepared. These highlight the key service delivery and performance targets that senior managers are accountable for.

Some of the key budget reforms encapsulated within the LG: MFMA, that uMlalazi has applied, are:

- Forward looking, multi-year budgets with strategic focus;
- Clear links between budget allocations and agreed policies;
- Improved integration of budget and planning processes;
- New budget process timetable with earlier adoption of budgets by council and earlier audits of Annual Financial Statements;
- Improved in-year reporting according to vote/function;
- Improved financial management information;
- Service Delivery and Budget Implementation Plans (SDBIP) developed and approved with budgets;
- New accounting norms and standards;
- Improvements to procurement and Supply Chain Management policies and processes;
- Establishment of a new audit committee and oversight process reforms and;
- Focus on performance measurement,

The LG: MFMA implementation is monitored through regular reporting including:

- Quarterly reviews of LG: MFMA implementation plans and 12 urgent implementation priorities checklist;
- Monthly returns to National Treasury and monthly reports to Mayor and Council, as required by Section 71;
- Publication of information on the municipalities website (www.umlalazi.org.za) and
- Mid-year budget and performance assessment as required by Section 72

The Budget and Medium Term Revenue and Expenditure Framework (MTREF) was prepared taking cognizance of the contents of the Municipal budget and reporting regulations, Local Government: Municipal Finance Management Act No 56 of 2003, Circular No. 51 and the LG:MFMA Budget Formats Guide received from National Treasury.

The objective of the regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities and municipal entities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes of those institutions and other relevant matters as required by the Act.

OTHER LEGISLATION

The other important pieces of legislation when considering the budget processes are:

- The Division of Revenue Bill 2010 and
- The Municipal Systems Act (Act no. 32 of 2000), together with the Municipal Systems Amendment Act (Act No. 44 of 2003)

Division of Revenue Bill 2010

This Bill issued in February annually, provides the three year allocations from national government to local government. It sets out all the reporting requirements and conditions relating to the grants. Alongside this Provincial Departments allocate funding to local government by means of a provincial gazette.

These allocations are used when preparing the three year budget in order to comply with Section 18 of the LG: MFMA (relating to reasonably anticipated revenues to be collected). Additional allocations – both nationally and provincially – are sometimes made to municipalities. However, these are not included in the original budget as the allocations are not certain. When confirmed they will be included in an adjustments budget in accordance with Section 28 of the LG: MFMA.

The Municipal Systems Act (Act no. 32 of 2000) and the Municipal Systems Amendment Act (Act No. 44 of 2003)

These acts form the basis of the links between the budget and the Integrated Development Plan (IDP). In particular, the aspects that have been considered in preparing the budget are:

- Community participation (Chapters 4 & 5);

Performance management (Chapter 6) providing also the basis for measurable performance objectives in the Service Delivery and Budget Implementation Plan (SDBIP); and Tariff Policy (Chapter 8).

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I **Thembakhosi Simon Mashabana**, Municipal Manager of the uMlalazi Municipality,

Hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act to a certain extent with the budget document as set out in schedule A of the regulations including the main tables (A1-A10), and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name.....**T S Mashabana**.....

Municipal Manager of**uMLALAZI MUNICIPALITY**.....

Signature.....



Date.....

20/02/2014

CONTACT DETAILS

uMlalazi Municipality

P O Box 37
Eshowe
3815

Hutchinson Street
Eshowe

Contact Person: Buks Koster
Telephone: 035 473 3319 Fax: 035 474 1180

Website: www.umlalazi.org.za

Email: Buks@umlalazi.org.za

uMLALAZI MUNICIPALITY



2014/2015

DRAFT TARIFFS

PROPERTY RATES			
Categories		Ratio in relation to residential property	
Residential property		1 :1	
Commercial and Industrial property		1 :1	
Mining		1 :2	
Vacant Land		1 :1	
Agricultural property		1 :0.25	
Public service infrastructure		1 :0.25	
TARIFFS FOR PROPERTY RATES			
Category		2013/2014 c/R	2014/2015 c/R
Residential		1.17	1.24
Commercial and Industrial		1.17	1.24
Vacant Land		1.17	1.24
Mining		2.34	2.48
Government/State Owned		1.17	1.24
Municipal Owned		1.17	1.24
Clubs/Churches		1.17	1.24
Agricultural		0.2928	0.3089
Public service infrastructure		0.2928	0.3089

SUMMARY OF REBATE AND REVENUE FORGONE			
		%	
		Rebates	Total
	Rebates		
	Clubs/Churches	100	1 097 035
	Pensioners	40	106 590
	Pensioners (earning above the stipulated threshold)	20	274 231
	Municipal properties	100	3 097 251
	Indigents	100	814 155
	3rd year phase in	25	44 965
	Early Settlement Rebate	20	665 094
	Small holdings with agricultural activities	50	38 750
			6 138 071
	Revenue foregone		
	First 30% of the M/V for PSI		1 988 791
	1st R60 000 non-rateable on residential		2 863 656
	1st R15 000 non-rateable on vacant residential		715 914
			5 568 361
	TOTAL		11 706 432

<u>ELECTRICITY SUPPLY</u>			
SECTION A: CHARGES FOR ELECTRICITY			
		2013/2014	2014/2015
1	Eshowe Consumers		
1.1	Domestic consumers, churches and old age homes		
	Monthly service charge(which charge excludes any kilowatt hour of electricity consumed)	202.60	222.25
	Consumption charge		
	INCLINING BLOCK TARIFF SYSTEM		
	0 - 50 kWh	0.80	0.88
	51 - 350 kWh	0.99	1.09
	351- 600 kWh	1.32	1.45
	601> kWh	1.34	1.47
1.2	Businesses, clubs ,boarding houses,hotels,school and hostels, Government /NPA		
1.2.1	Monthly service charge(which charge excludes any kilowatt hour of electricity consumed)		
	For a single-phase connection per month	259.29	284.43
	for a three-phase connection per month	742.92	814.99
1.2.2	Consumption charge	1.58	1.73
1.3	Large consumers		
1.3.1	Monthly service charge(which charge excludes any kilowatt hour of electricity consumed)	423.54	464.63
	Consumption charge for KVA	171.98	188.66
1.3.2	Consumption charges	0.70	0.76
2	<u>King Dinuzulu Consumers</u>		
2.1	Monthly service charge		
	Domestic	202.60	222.25
	Business	742.92	814.99
2.2	Consumption Charge		
	Domestic		
	INCLINING BLOCK TARIFF SYSTEM		
	0 -50 kWh	0.80	0.88
	51-350 kWh	0.99	1.09
	351-600 kWh	1.32	1.45
	601>kWh	1.34	1.47
	Businesses	1.58	1.73
3	<u>Users where prepaid meters have been installed</u>		
3.1	Consumption charge- Domestic		
	INCLINING BLOCK TARIFF SYSTEM		
	0-50 kWh	0.80	0.88
	51-350 kWh	0.99	1.09
	351-600 kWh	1.32	1.45
	601>kWh	1.54	1.69
3.2	Consumption charge-Commercial (single phase)	1.58	1.73
3.3	Consumption charge-Commercial (three phase)		
3.4	Low Cost Housing		
	INCLINING BLOCK TARIFF SYSTEM		
	0-50 kWh	0.79	0.83
	51-350 kWh	0.98	1.04
	351-600 kWh	1.12	1.18
	601> kWh	1.20	1.27
4	Connection fees for the supply of electricity to Building Contractors		
4.1	Connection fees other than 3 phase		
	Connection fees (including disconnection)	418.07	441.48
	Plus all kilowatt hours consumed at Maximum period of supply 6 months	1.39	1.47
4.2	3 phase connections		
	Connection fee (including disconnection)	819.70	865.60
	Plus all kilowatt hours consumed at no Maximum period of supply 6 months	1.44	1.52
5	<u>Availability Charge</u>		
5.1	Availability Charge is payable in respect of all poperties,which can be yet or not served by the electricity reticulation network .	205.71	217.23
	INCLUSIVE OF VAT		

SECTION B: CONSUMER DEPOSITS			
1	<u>Domestic Supply</u>	2013/2014	2014/2015
	Amateur sporting clubs		
	Charitable institutions		
	Churches		
	Government dwellings and institutions		
	Private dwelling houses		
	Retirement and care centres		
	Townhouses		
	Residential Flats	3 600.00	4 000.00
2	<u>Low Cost Housing Schemes</u>		
2.1	where valuation of property is below R75 000.00 (receives free refuse)		
2.2	where valuation of property exceed R75 000.00	375.00	600.00
3	<u>Households With Pre Paid Electricity</u>	385.00	600.00
3.1	<u>Properties Occupied by Tenants</u>		
	Deposit to be equivalent to three times the refuse charge		
4	<u>Commercial supply</u>		
4.1	Deposit to be based on three times the average monthly account over a period of three months of a similar business or three times the average account over a period of three months of the previous consumer		
4.2	Should the business to be operated be of the same type or per discretion of the chief financial officer or his assignee with a minimum of	4 400.00	6 000.00
4.3	Bank guarantees are not acceptable		
5	<u>Commercial Consumer with Pre Paid Electricity</u>		
5.1	refuse removal service at least one day per week	583.00	1 000.00
5.2	refuse removal service at least six day removal per week	1 470.00	2 000.00
	INCLUSIVE OF VAT		

SECTION C: SUNDRY ELECTRICITY CHARGES		2013/2014	2014/2015
1	Testing Fee		
1.1	Special fee for testing installation at consumers request	156.40	165.00
1.2	Meter test		-
	Prepayment meter testing fee	398.50	420.00
	single phase conventional meter	533.00	562.00
	400V Three phase conventional meter	687.90	726.00
	11 kv meter	cost+10%	cost+10%
1.3	Inspection fee, after failure upon first test		
1.4	fee for checking meter reading (which fee will be refunded should the reading be found to be in corrected)	257.90	272.00
2	Disconnection charge		
2.1	Final Notice of demand		
2.1.1	Properties within the Municipality	187.60	198.00
2.1.2	Properties outside the Municipality(Plus 32c/km)	187.60	198.00
2.1.3	Where the disconnection is performed by a private contractor at the request of the manager financial services	375.20	396.00
3	Reconnection charge (penalties for services that may be disconnected if not paid on due date)		
3.1	for none -payment of account	187.60	198.00
3.2	for other reasons, per each occasion	187.60	198.00
3.3	Connection Charge-after office hours	551.20	582.00
4	SERVICE CONNECTION FEES (NEW TARIFFS)		
4.1	Single phase prepayment connection (60 amp)	1 825.00	1 927.00
4.2	Single phase prepayment connection (Sunnydale 20 amp)	900.00	950.00
4.3	Upgrade single phase prepayment connection (20 amp -60 amp)(KDS /Sunnydale)	11 560.00	12 207.00
4.4	Alternative single phase prepayment connection including ready board and cable	3 730.00	3 938.00
4.5	Single phase meter conversion from conventional to prepayment (Domestic and Small Business)	1 245.00	1 314.00
4.6	Three phase meter conversion from conventional to three phase prepayment (Domestic and Small Business)	4 235.00	4 472.00
4.7	Single phase conventional connection (see council resolution)	1 480.00	1 562.00
4.8	Second single phase prepayment connection on the same or subdivided premises	14 428.00	15 235.00
4.9	Single phase meter conversion from conventional to three phase conventional (domestic and Small Business)	15 180.00	16 030.00
4.10	Single phase meter conversion from conventional to three phase prepayment meter (Domestic and Small Business)	16 683.00	17 617.00
4.11	Domestic conversion from single to three phase maximum demand on connection (100 amp)	17 330.00	18 300.00
4.12	Domestic three phase conventional connection with a maximum demand of 100 amp	16 820.00	17 761.00
4.13	Domestic three phase prepayment connection	4 357.00	4 600.00
4.14	New 80A single phase supply or conversation from 60A to 80A	4 966.00	5 244.00
4.15	Non-domestic three phase connection with a maximum demand of 100 Amp	20 720.00	21 880.00
4.16	Conversion from 80A single phase prepayment to 3 phase prepayment connection	11 435.00	12 075.00
4.17	Three phase connection with a max demand greater than 60Amp(100A Eshowe) all cost plus 10% of all equipment necessary plus the cost of the infrastructure contribution for additional electricity above that being existing or allowed based on the zoning and premises		
5	Tampering Fee	2 050.60	2 165.00
6	Pre Paid Electricity Identification Card	50.00	50.00
7	Moving /Relocation of a payment meter	725.70	766.00
8	Replacement of damaged or burnt-out prepayment meter single phase	819.60	865.00
9	Replacement of damaged or burnt-out prepayment meter three phase	3 210.00	3 389.00
10	Certificate of compliance -revisit fee	542.20	572.00
	INCLUSIVE OF VAT		

WASTE MANAGEMENT		
SECTION C: REFUSE REMOVAL FEES		
1	ESHOWE	2013/2014 2014/2015
1.1	Domestic (removal service one day per week) Per refuse receptacle, per month	127.60 134.75
	Properties Occupied by tenants : refuse charges to based on a number of tenants (per property)	
1.2	Removal of refuse from business and other premises	
	Per refuse receptacle for a service of at least one day per week per month	194.60 205.50
	Per refuse receptacle for a six days per week clearance ,per month	491.20 518.71
1.3	King Dinuzulu Users	
	Residential	127.60 134.75
	Business	194.60 205.50
1.4	Mass Container removal service	
	per container ,per month	4108.00 4 338.05
	Mass Container removal service per container where the consumer supplies the container for 12 months	727.70 768.45
	Thereafter per month	4108.00 4 338.05
	2 Mass containers + 4 Receptacle	9703.50 10 246.90
1.5	Schools	
	Removal service one day per week	196.80 207.82
	Per refuse receptacle for a six days per week clearance ,per month at schools	491.20 518.71
1.6	Hire of garden refuse container 'skip' for 2 day period	330.00 350.00
1.7	Removal of builders' rubble from properties per load of 2,3m or part hereof	691.60 732.00
1.8	Per polythene plastic bags	2.30 3.00
1.9	One bag of polythene black plastic bags(20 bags)	40.00 43.00
1.10	Making use of transfer station	
	Businesses(including garden service)	196.90 208.30
	Builders rubble	196.90 208.30
1.11	Lot Clearing per lot	cost + 10% cost + 10%
2	MTUNZINI	
	Removal of household ,domestic or business refuse from all properties /for 2 removals per week, per month or part thereof -	
2.1	Domestic including clubs	127.60 134.75
2.2	Hotels and supermarkets	797.00 841.63
2.3	Other food handling businesses	491.20 518.71
2.4	Non -food handling businesses	194.60 205.50
2.5	schools	196.80 207.82
2.6	Caravan parks for every 10 sites or part thereof	134.10 141.61
2.7	For every additional removal per load or part hereof	194.60 205.50
2.8	General Residential II sites per unit	134.10 141.61
2.9	Prawn farm	194.60 205.50
2.10	Use of refuse dump by instances outside municipal area, per month or part thereof	1467.00 1 549.15
2.11	Removal of refuse other than household or domestic per load thereof	196.80 207.82
2.12	Removing of building rubble, per load thereof	691.60 731.00
2.13	Removal of Garden refuse per black bag	26.30 27.00
2.14	Making use of transfer station	
	Businesses(including garden services)	200.00 211.20
	Builders rubble	200.00 211.20
2.15	Lot Clearing per lot	Cost+10% Cost+10%
3	GINGINDLOVU	
3.1	Commercial per month	194.60 205.50
	Commercial (bulk) per month	149.90 158.29
	Mass Container removal service	10 246.90
3.2	Residential Per month	127.60 134.75
3.3	Garden Refuse per black bag or part thereof	26.30 27.00
3.4	Rubble Removal per load or part thereof	691.60 731.00
3.5	Lot Clearing per lot	Cost+10% Cost+10%
	INCLUSIVE OF VAT	

1	ADVERTISEMENTS	2013/2014	2014/2015
	<u>Displaying of advertisements</u>		
	General advertisement of events, meetings ,Billboards, direction signage and any other signage determined by the council may be subjects to the services of an Advertisement Consultant Company. Application fee for all Advertising	105.00	110.00
1.1	Posters and Flags (per poster or flags per month)		
	General	16.00	17.00
	Welfare Organisation	1.00	1.00
	Political(per announced election period)	1.00	1.00
1.2	Per banner per month	127.00	134.00
1.3	Billboards -per Bill Board annual charge irrespective if display period is less than one year	15825.00	16 710.00
1.4	Deposit of 50% of quantities display-such deposit shall be retained by Council to cover costs incurred if advert are not removed within the determined time period as stipulated in the Advertising Bylaws.		
2	<u>HANDBILLS</u>		
2.1	For the permission to distribute handbills within the Municipality ,Per month	633.00	668.00
2.2	For the permission to distribute handbills within the Municipality ,Per year	4220.00	4 456.00
3	<u>COMMUNITY HALLS</u>		
3.1	<u>HIRE FEE FOR COMMUNITY HALLS</u>		
	General functions including weddings,concerts,concerts,dances,exhibitions ,tournament and any other function which derives a financial benefit	2110.00	2 228.00
	Religious Services	211.00	222.00
	Public Meetings	211.00	222.00
	Hire of community Halls facilities by non residential for any purposes		
	Political Meetings	264.00	278.00
	For any other purpose approved by the Council per day	1266.00	1 336.00
	Hire of Premier conference Centre	1055.00	1 114.00
3.2	<u>DEPOSIT FEE FOR COMMUNITY HALLS</u>		
3.2.1	General functions including weddings,concerts,concerts,dances,exhibitions ,tournament and any other function which derives a financial benefit	3693.00	3 899.00
3.2.2	Religious Services	211.00	222.00
3.2.3	Public Meetings	211.00	222.00
3.2.4	For any other purpose approved by the Council per day	844.00	891.00
3.2.5	Political Meetings	528.00	557.00
	<u>INCLUSIVE OF VAT</u>		

4	TOWN PLANNING	2013/2014	2014/2015
4.1	Consideration for approval of subdivisions/consolidations		
4.1.1	Basic fee	1160.00	1 224.00
4.1.2	Additional fee ,per subdivision (Remainder to be considered a subdivision)	116.00	122.00
4.1.3	Amendments of subdivision in process	232.00	244.00
4.1.4	Application for registration of right of way servitudes/long term lease . Administration fee (note -this excludes legal fees)	232.00	244.00
4.1.5	Application for phasing /cancellation of approved layout plans Administration fee	1740.00	1 837.00
4.2	Application for relaxation of building line and /or side and rear spaces in terms of town planning clauses (per application)	739.00	780.00
4.3	Rezoning Applications		
4.3.1	Rezoning of unused public open spaces in line with Council's Policy (note advertisement ,closure and subdivision/consolidation fees would still apply)		
4.3.2	Other rezoning		
	(i) less than one ha	2321.00	2 450.00
	(ii) 1 hectare and over but less than 5 hectares	2901.00	3 063.00
	(iii)5 hectares and over but less 10 hectares	4220.00	4 456.00
	(iv)10 hectares and over	5803.00	6 127.00
4.4	Zoning certificates	53.00	55.00
4.5	Special Consent		
4.5.1	Consent to operate home industry without additional employment opportunities (Category A)	580.00	612.00
4.5.2	All other consent use application (category B)	1160.00	1 224.00
4.6	Removal of Restrictive Conditions of Title	1160.00	1 224.00
4.7	Closure of Public Street/opens spaces -Administration Fee	274.00	289.00
4.8	Administration of DFA Applications:		
	(i) less than one ha	2321.00	2 450.00
	(ii) 1 hectare and over but less than 5 hectares	2901.00	3 063.00
	(iii)5 hectares and over but less 10 hectares	4220.00	4 456.00
	(iv)10 hectares and over	5803.00	6 127.00
4.9	Development outside of schemes areas		
	(i) less than one ha	3482.00	3 676.00
	(ii)5 hectares and over but less than 10 hectares	5275.00	5 570.00
	(iii)10 hectares and over	8124.00	8 578.00
4.10	Public notice		
4.10.1	Notices in the legal section	2321.00	2 450.00
4.10.2	Notices in the body of the paper	5803.00	6 127.00
4.11	Hearings		
4.12	Fines -as per section 75 and 89 of the planning and development act		
4.12.1	finas as per section 75		
4.12.2	Additional Penalties in accordance with section 76		
4.12.3	Section 89 Civil penalty	10-100% of value	
		illegal building	
		constration,etc	
	in light of the introduction of the new planning and development Act in April 2010,the tariffs have had to be revised so as to respond to the planning processes including there in .in that regard ,all proposal now read as per tariff. In the instance that multiple applications are lodged for consideration of council, individual tariffs will be applicable to each type of application included on the application form. Application previous known as 'consent uses' will now be known as Formal Authority throughout the councils jurisdiction. this is in line with PDA . Application previously known as ' special consent will be now known as Consent throughout the councils jurisdiction. This is the new line with the PDA		
	INCLUSIVE OF VAT		

5	ENCROACHMENT- SIGNS	2013/2014	2014/2015
	Street Encroachment		
	the charges for the street encroachment shall be payable annually in advance per sign as follows		
5.1	Veranda posts, each	348.00	367.00
5.2	verandah,ground floor. per m or part thereof and including cantilevers overhanging the pavement or footpaths ,per m or part thereof	26.00	27.00
5.3	Sign boards on, or overhanging the footpaths or pavement, each	528.00	557.00
5.4	Building Rubble, sand and the like left on the pavement per day or part thereof	127.00	134.00
5.5	Display of signs for hotels, boarding houses, guest houses and bed and breakfast (maximum A signs per establishment) , per sign per annum	475.00	501.00
5.6	Any other signage excluded from 5.5	211.00	222.00
6	MISCELLANEOUS SERVICES		
	The following fee shall be paid to the Manager Financial Services in advance for the production of documents, provision of certificates and extract information from records		
6.1	Search fee per account, document or file produced for inspection or duplicate account made	53.00	55.00
6.2	Certified copy of extract from council's minutes and or hearing per page	53.00	55.00
6.3	Rates certificate ; manual RCC	300.00	350.00
	electronic RCC	150.00	160.00
6.4	Another certificate for each certificate	58.00	60.00
6.5	Standards and other bylaws per copy	84.00	90.00
	extract bylaws per page or part thereof	21.00	22.00
6.6	Valuation roll per town	791.00	835.00
6.7	Valuation roll per folio	21.00	22.00
6.8	Voters roll per folio	21.00	22.00
6.9	General Photocopy fees	7.40	7.00
6.10	Clearing of vacant lots	1055.00	1 114.00
6.11	Tenders Documents -unless specifically prescribed	422.00	445.00
6.13	Any occupier or owner of a stand within uMlalazi Municipality will, subject to non-compliance or default to a statutory notice directing him/her to cut clear a stand, have a stand ,have the stand cut by Umlalazi Municipality and the same costs placed on his/her consumer account	580.00	620.00
7	LIBRARIES	2013/2014	2014/2015
7.1	Overdue library material excluding videos	4.20	5.00
7.2	Overdue video material	5.30	6.00
7.3	Overdue library books including talking books	4.20	5.00
7.4	Overdue DVD material	6.30	7.00
7.5	Overdue Technicon Books	6.30	7.00
7.6	Lost book identity card	42.00	45.00
7.7	Lost patron card	42.00	45.00
7.8	Lost Technicon card	42.00	45.00
7.9	2 notification letter /post card	21.00	23.00
7.1	Photocopies of Library material per page	0.50	1.00
8	PROMOTION OF ACCESS TO INFORMATION		
8.1	Application Fee	53.00	56.00
8.2	for every A4 photocopy relating to the promotion of access to information act	4.20	5.00
8.3	for a copy in a computer readable format:- compact disk	69.00	73.00
	copy of an audio record	69.00	73.00
8.4	to search for the record for disclosure for each hour excluding the first hour	42.00	45.00
8.5	the actual postal fee is payable when a copy of a record must be posted ton a requester		
9	PUBLIC TOILETS		
9.1	Usage of public toilet per person	3.10	4.00
9.2	collection of water for cooking ,washing cars or other per litre	1.20	2.00
10	SWIMMING POOLS SUNNYDALE		
10.1	Day ticket- children	5.30	6.00
10.2	Day ticket- Adults	7.90	9.00
	season tickets - children	53.00	56.00
10.3	season tickets- Adults	79.00	84.00
	INCLUSIVE OF VAT		

11	<u>GARDEN REFUSE AND BUILDING RUBBLE TARIFFS</u>		
11.1	Garden Refuse - per ton load or part thereof	58.00	62.00
11.2	Commercial- per ton load	211.00	223.00
11.3	Building Rubble- per ton load	211.00	223.00
11.4	Mixed domestic waste -per ton load	100.00	106.00
11.5	Timber /tree stumps -per ton load	211.00	223.00
12	<u>BUILDING PLAN TARIFFS</u>		
12.1	NEW WORKS		
12.1.1	for new building or additions to existing building per square metre		
12.1.2	for the first 20 metre square	210.00	222.00
12.1.3	Each additional 10 m square or part thereof up to 5000 m square metre	130.00	138.00
12.1.4	Each additional 10 m square or part thereof more then 5000 m square and up to 15000 m	55.00	59.00
12.1.5	Each additional 10 m or part thereof more than 15 000 m square metre	35.00	37.00
12.2	AS BUILT OR AMENDED PLANS		
12.2.1	for as built plans,25% of existing submission fee ,plus full tariff for additional new works	25%of fee plus full tariff	25%of fee plus full tariff
12.3	INTERNAL ALTERATIONS TO EXISTING BUILDINGS		
12.3.1	Any form of internal alterations to existing buildings of any nature not defined as "as built " or amended plans "(i.e. plans passed and structures which have already passed occupation requirements)		
12.3.2	Fixed tariff: Structures up to 500 square metre	320.00	337.00
12.3.3	Structures up to 5000 square metre	630.00	665.00
12.3.4	Structures exceeding 5000 square metre	1000.00	1 056.00
12.3.5	for the renewal of plans have expired		
12.3.6	for swimming pools	320.00	337.00
12.3.7	for boundary walls /fences	320.00	337.00
12.3.8	for any other plan submitted other than described above ,a fixed tariff of	420.00	443.00
12.3.9	for a permit for minor structures in terms of Act 103 of 1977, a fixed tariff of	210.00	221.00
13	<u>PRODUCTION OF MAPS /BUILDING PLAN</u>		
13.1	OZALID COPIER		
	A 1 PAPER	40.00	42.00
13.2	HP COPIERS BLACK/WHITE PRINTS		
13.2.1	A 4	20.00	21.00
13.2.2	A 3	25.00	26.00
13.2.3	A2&A1	40.00	42.00
13.2.4	A0	60.00	63.00
13.3	HP COPIERS COLOUR PRINTS		
13.3.1	A 4	30.00	31.00
13.3.2	A 3	50.00	52.00
13.3.3	A2&A1	140.00	147.00
13.3.4	A0	190.00	200.00
13.4	LAMINATE COPIES		
13.4.1	A2&A1	50.00	52.00
13.4.2	A0	70.00	73.00
13.5	AO SCANNER,COPIER &PRINTER		
13.5.1	A0 PAPER	40.00	42.00
13.5.2	A1 PAPER	25.00	26.00
13.5.3	A0 PLASTIC	85.00	89.00
13.5.4	A1 PLASTIC	50.00	52.00
14	<u>ENGINEERING INSPECTIONS AND APPLICATIONS</u>		
14.1	P.T.O. Applications	370.00	390.00
14.2	Sewer Applications	210.00	221.00
14.3	Encroachments(per side)	190.00	200.00
14.4	Site visit for boundaries line (per peg)	190.00	200.00
15	<u>ROAD CROSSING RE-INSTATEMENTS</u>		
15.1	Premix surfacing per square metre	120.00	126.00
15.2	Base (G2 crusher run)per square metre	130.00	137.00
	INCLUSIVE OF VAT		

16	CEMETERY TARIFFS	2013/2014	2014/2015
16.1	TARIFFS FOR RESIDENTS		
16.1.1	Burial for stillborn/infant	700.00	739.00
16.1.2	Burial for person under the age of 12 years	810.00	855.00
16.1.3	Burial for person over the age of 12 years	1055.00	1 114.00
16.1.4	Burial Double deep	1795.00	1 895.00
16.1.5	Burial Casket	1795.00	1 895.00
16.1.6	Double grave	2110.00	2 228.00
16.1.7	Niche-Wall of Remembrance	350.00	369.00
16.2	TARIFFS FOR NON-RESIDENTS		
16.2.1	Burial for stillborn/infant	1635.00	1 726.00
16.2.2	Burial for person under the age of 12 years	2430.00	2 566.00
16.2.3	Burial for person over the age of 12 years	4540.00	4 794.00
16.2.4	Double grave	6860.00	7 244.00
16.2.5	Niche-Wall of Remembrance	580.00	612.00
16.3	GENERAL		
16.3.1	Opening a grave for exhumation	8440.00	8 912.00
16.3.2	Permission to erect memorial stone	295.00	311.00
16.3.3	Proof must be handed in that the deceased was resident in the Council's area or jurisdiction for continuous period exceeding 3 months		
16.3.4	Burial plot sizes: adult -2.5m*1.5m*1.8m deep		
16.3.5	Burial plot sizes : child -1.5m*1.0*1.8m* deep		
16.3.6	Burial aperture sizes : adult - 2.2m *0.9m*1.8m deep		
16.3.7	Burial aperture sizes : child - 1,2m*0,7m*1,8m		
17	TAXI RANK TARIFFS		
	Permit per Annum	105.00	110.00
18	POUND TARIFFS		
18.1	Transportation Fee		
	Amount payable to Pound Master:		
	The kilometre tariff for the vehicle which, in the discretion of the pound keeper, is reasonably necessary to transport the relevant animal to the pound, as determined by the Automobile of South Africa (AA) from time to time.		
	Amount payable to Council:	Nil	Nil
18.2	Pound fees		
	Amount payable to Pound Master:		
	a) R30.00 per day for any pig, sheep or goat		
	Amount payable to Council:	15.00	15.00
	b) R70.00 per day for any other animal		
	Amount payable to Council:	50.00	50.00
18.3	Other costs		
	Amount payable to Pound Master:		
	All other actual costs including tending, dipping or spraying, wound dressing, medication, veterinarian and any other costs incurred.		
	Amount payable to Council:	Nil	Nil
	INCLUSIVE OF VAT		

uMLALAZI MUNICIPALITY



2014/2015

DRAFT

SERVICE DELIVERY AND BUDGET

IMPLEMENTATION PLAN

uMLALAZI MUNICIPALITY - 2014/2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - MUNICIPAL MANAGER																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Planned Measures for Improvement
				Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Actual	PROJ.	ACTUAL			
KPA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
2		Ensure 100% of positions in terms of organisational structure have approved job descriptions by Municipal Manager	Percentage of job descriptions approved	0		50%		100%		100%		100%				
3		Ensure that Performance Agreements and Plans for Section 56 managers (4 agreements) for the 2014/2015 financial year are finalised and signed by 31 July 2014 and submit to MEC within 14 days after signing	No of agreements signed by 30 July	6		0		0		0		31-Jul-14				
4			Date of submission to MEC	14-Aug		0		0		0		14-Aug-14				
5		Ensure drafting of OPMS Scorecard for the 2015/2016 financial year and submit as an addendum to the IDP by 28 June 2014. Ensure reporting on 2014/2015 OPMS Scorecard & alignment to IDP	Date of approval of 2015/2016 OPMS Scorecard	0		0		0		30-Jun		30-Jun				
6			Number of quarterly reports to Council	0		1		1		1		3				
7			Date of alignment of OPMS with IDP	0		0		28-Feb-15		0		28-Feb-15				
8		Ensure the reporting on completed 2013/2014 financial years formal performance assessment results of the MM to the office of the MEC within 14 days after the formal	Date of submission of 2013/2014 assessment results to Council / MEC	28-Sep-14		0		0		0		28-Sep-15				
9		Ensure 2 management meetings are conducted per month	Number of meetings held	6		6		6		6		24				
10		Attend quarterly Council meetings (4 meetings), Monthly EXCO meetings (11 meetings), monthly Finance Committee meetings (11 meetings) and bi-monthly Portfolio Committee meetings (27 meetings)	Number of Council meetings	1		1		2		2		6				
11			Number of EXCO meetings	3		3		2		3		11				
12			No. of Portfolio Committee meetings	1		2		1		2		6				
13		Review Municipal Turnaround Strategy	Date of Review of turnaround strategy	0		0		31-Mar		0		31-Mar-15				
14		Keep a register of the appointment of legal services and report quarterly to Portfolio Committee	Number of reports	1		1		1		1		4				

uMLALAZI MUNICIPALITY - 2014/2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - MUNICIPAL MANAGER																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Planned Measures for Improvement
KPA 2: BASIC SERVICE DELIVERY																
15		Attend UDM Technical Support forum meetings to ensure alignment and include as an agenda item in MANCO meetings	Number of meetings attended	1		1		1		1		4				
17		Ensure Service Delivery by maintaining expenditure on MIG projects in terms of SDBIP		0				31-Mar-14				31-Mar-14				
20		Ensure affordable housing is provided in Bhekeshowe (1000), Ndlangubo (1000), Mombeni (1000), Ngudwini (1000), Oyaya (1000), Mpungose (1000)	Number of reports	1		1		1		1		4				
21			Number of houses built	0		0		0		1500		1500				
KPA 3 : LOCAL ECONOMIC DEVELOPMENT																
22		Ensure 500 jobs are created by 30 June 2015 through various Municipal projects	Number of Jobs Created	100		100		100		200		500				
23		Formalise the trading areas at the Eshowe Bus and Taxi Rank	Date of completion of Trading Shelters	0		0		0		30-Jun		30-Jun				
24		Formalise the trading areas at Bus and Taxi Ranks in King Dinuzulu and Gingindlovu	Date of Completion of Trading area plans	0		0		31-Jan		0		31-Jan-15				
25			Number of reports to Portfolio Committee	0		0		1		1		2				
26		Identify land within Mtunzini for informal trading purposes	Date of land identification	0		0		31-Mar-14		0		31-Mar-15				
27		Identify skills required to support Local Economic growth and advise educational institutions to align training needs through the youth Advisory Business Centre	Date of appointment of staff for Youth Business Advisory Centre	0		0		31-Mar-14		0		31-Mar-15				
28			Number of Education institutions aligned to Youth Centre	0		0		1		1		2				
29			Number of reports to Portfolio Committee	0		0		1		1		2				
30		Establish partnership with the Dept of Agriculture to prepare an agricultural plan	Date of signing of MOU	0		0		0		30-Jun		30-Jun-15				
31		Support Agricultural programmes with Masibambisane for agricultural development	Number of projects initiated	0		1		1		0		2				
32		Develop database of women, youth and disabled community members requiring LED	Number of reports submitted	0		1		1		1		3				
33		Facilitate skills development, with assistance from Dept Economic Development and Tourism, of SMME's & Co-opts on database	Number of meetings held with Department of Economic Development	1		1		1		1		4				

uMLALAZI MUNICIPALITY - 2014/2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - MUNICIPAL MANAGER																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Planned Measures for Improvement
KPA 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
34		Review National and Provincial allocations	Date of Review	0		0		28-Feb		0		28-Feb				
35		Draft budget and plans for next 3 years to Mayor	Date of submission	0		0		31-Mar		0		31-Mar				
36		Draft budget, plans and proposed revisions to IDP	Date of publication	0		0		31-Mar		0		31-Mar				
37		Consultation on draft budget	Date of consultation meetings	0		0		0		30-Apr-15		30-Apr-15				
38		Amendment of Budget from responses of community submissions	Date of approval	0		0		0		31-May		31-May				
39		Approved budget and budget related policies	Date of Publication	0		0		0		28-Jun-15		28-Jun-15				
40		Monthly budget statement to Mayor and PT	No of statements	3		3		2		3		11				
41		Time schedule of key deadlines for budget and IDP process	Tabled in June 2015	0		0		0		30-Jun		30-Jun				
42		Service Delivery and Budget Implementation Plan	Date of approval	0		0		0		30-Jun		30-Jun				
43		Report on Implementation of budget (SDBIP)	Number of reports to Council	1		1		1		1		4				
44		SDBIP and annual performance agreements to Mayor	Date of submission	0		0		0		30-Jun		30-Jun				
45		Approved SDBIP to National Treasury	Date of submission	0		0		0		30-Jun		30-Jun				
46		Manage the organisational expenditure control of capital budget in terms of SDBIP through MANCO.	Number of reports	1		1		1		1		4				
47		Ensure that the financial viability of the Municipality is monitored daily by receiving daily printouts of the Main bank account and report to Portfolio Committee monthly on status	Number of reports	1		1		1		1		4				
48		Prepare and submit monthly financial reports to the Mayor i.t.o. S71 of MFMA and monthly grants report to the relevant	Number of reports	6		6		6		6		12				
49		Quarterly internal audits to be done on Payroll system and a report to be submitted to the Audit Committee	Number of reports to Audit Committee	1		1		1		1		4				

uMLALAZI MUNICIPALITY - 2014/2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - MUNICIPAL MANAGER																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Planned Measures for Improvement
50		Monthly Bank reconciliation to be audited. Report to Audit Committee	Number of reports to Audit Committee	1		1		1		1		4				
51		Payments to Creditors to be made in terms of Section 65 of MFMA. Internal Audit to verify payments made on a quarterly	Number of reports	100%		100%		100%		100%		4				
52		Improve debt collection by 2014/2015 financial year through maintaining 90% collection rate	percentage of collection rate	90%		90%		90%		90%		90%				
53		Regular meetings with Council's Attorneys to discuss progress on handed over debtors	Number of meetings	1		1		1		1		4				
54		Annual report	Tabled in January 2015	0		0		31-Jan		0		31-Jan				
55		Annual report	Make public in March 2014	0		0		31-Mar		0		31-Mar				
56		Consolidated report of withdrawals report to Council on the expenditure incurred on staff salaries, wages, allowances & benefits	Submit quarterly to Council	1		1		1		1		4				
57		Annual financial statements to Auditor General	Submit end of August 2014	30-Aug		0		0		0		30-Aug				
58		Annual report to AG, PT and D T & LG	Submit in March 2015	0		0		31-Mar		0		31-Mar				
59		Oversight report of annual report	Made public in March 2015	0		0		31-Mar		0		31-Mar				
62		Purchase furniture	Date of purchase	0		30-Nov		0		0		30-Nov		R 128 000		
65		Local economic development projects	Percentage of budget spent	25%		50%		75%		100%		100%		R 2 224 750		
66		Youth business advisory centre (Equit share)	Percentage of budget spent	25%		50%		75%		100%		100%		R 150 000		
KPA 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
67		Submit quarterly report to MPAC on completed projects and inspections carried out to verify quality & value for money	Number of reports submitted	1		1		1		1		4				
68		Draft IDP Process Plan & submit to MEC.	Date of submission	31-Aug		0		0		0		31-Aug-14				
69		Give public notice of Process Plan	Dae of Publication	31-Aug-14		0		0		0		31-Aug-14				
70		Internal Strategic Consultation processes	Date of completion of Strat session	0		2		0		0		2				

uMLALAZI MUNICIPALITY - 2014/2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - MUNICIPAL MANAGER																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Planned Measures for Improvement
71		Engages with national and provincial sector Depts. on sector specific programmes for alignment with IDP	Date of meeting	1		1		0		0		2				
72		IDP Road shows	No of road shows conducted	26		0		26		0		52				
73		IDP representative forum meetings	No of rep forum meetings	1		0		1		0		2				
74		New Municipal IDP	Date of approval	0		75%		100%		0		100%				
		Performance Management Systems		0		0%		0%		100%		100%		R 100 000		
		Extend Land Use Management in rural areas	date of expenditure Percentage of budget spent	0		0		50%		100%		100%		R 1 000 000		
75		Ensure Ward Committees are functional	Number of Ward Committee meetings	25		75		75		75		250		R 2 000 000		
76		Support knowledge-sharing, best-practices, skills transfer & training with Belgium Municipality in the following areas: Finance & Planning, Firefighting, Education, LED, Cultural Heritage	Number of meetings	1		1		1		1		4				
77		Support twinning with Songdal Municipality (Norway)	Number of meetings	1		1		1		1		4				
78		Financial Audit committee	No of meetings	1		1		1		1		4				
79		Performance Audit committee	No of meetings	0		1		0		1		2				
80		Implement anti corruption/fraud prevention Plan		1		1		1		1		4				
			Quarterly reports													
81		Risk areas in accordance with Council's Risk Assessment Plan		1		1		1		1		4				
			Quarterly reports													
82		Issues raised in Auditors-General report	Addressed in March 2014 report	0		0		31-Mar		0		31-Mar				

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - CORPORATE SERVICES														
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
				Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Actual	PROJ.	ACTUAL	
KPA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT														
1		Review Scarce Skills Policy. Submit quarterly report to LLF & EXCO	Date of Review	30-Sep		0		0		0		30-Sep-14		
2			Number of reports submitted	1		1		1		1		4		
3		Compile a list of Contracts that details commencement and conclusion dates and submit a copy to Departmental heads. Submit quarterly memorandum to departmental heads to update them on status of contracts	Number of updates submitted	30-Sep		31-Dec		31-Mar		30-Jun		4		
4		Develop and adopt skills audit plan for 2014/2015 financial year. Report Quarterly on skills development training to LLF. Submit annual Workplace skills plan (WSP) to LGSETA	Number of reports submitted	1		1		1		1		4		
5			Percentage of training budget spent	0		50%		75%		100%		100%		
6			Date of submission of WSP to LGSETA	0		0				30-Jun-15		30-Jun-15		
7		Review and implement employment equity plan and ensure targets align to new appointments. Submit quarterly reports to LLF on recruitment and employment equity	Number of reports submitted	1		1		1		1		4		
8			Percentage of people form employment equity groups employed in three highest levels of management	100%		100%		100%		100%		100%		
9		Liaise with companies to undertake Employee Assistance Programmes – 1 per annum	Number of programmes	0		0		0		1		1		
10		Hold at least 1 Middle management meeting per month and 1 staff meeting per quarter	Number of meetings held	4		4		4		4		16		
12		Provide Administrative and Secretarial services for meetings	Number of Council meetings	1		1		2		2		6		
13			Number of EXCO meetings	3		3		2		3		11		
14			Number of Finance Committee meetings	3		3		2		3		11		
15			Number of Portfolio Committee meetings	9		9		9		9		36		

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - CORPORATE SERVICES														
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
16		Review at least 4 existing Municipal non-financial Policies or Bylaws	Number of Policies reviewed	1		1		1		1		4		
17		Ensure Compliance of the Municipal Records office in terms of Provincial Archives Act	Date of submission of Reviewed File plan to Provincial Archives	0		31-Dec		0		0		31-Dec-14		
18		Ensure File register is kept and updated Quarterly. Submit quarterly report to Municipal Manager on number of files opened and or closed as per file register	Number of reports submitted	1		1		1		1		4		
		Develop job descriptions for new posts on organizational structure in terms of tasks	% of outstanding job descriptions completed	0		50%		100%		100%		100%		
KPA 2: BASIC SERVICE DELIVERY														
		Review Housing Sector Plan	Date of approval of reviewed Housing Sector Plan	0		0		0		30-Jun		30-Jun		R20,815
		Align implementation of Housing with bulk service provision	Number of meetings held with UDM	0		1		0		1		2		R10,410
19		Compile monthly hall hire register and submit to CFO for reconciliation	Number of reports submitted	3		3		3		3		12		
20		Keep a record of visits made to the museum and report quarterly to Portfolio Committee	Number of reports submitted	1		1		1		1		4		
		Conduct annual survey on the quality of service provided at the municipal libraries and provide quarterly report on library services to Portfolio Committee	Date of Survey	0		0		31-Mar		0		31-Mar		
21			Number of reports submitted	1		1		1		1		4		
22		Destination by participating in 1 Tourism show annually, quarterly UTA meetings. Report to Portfolio Committee	Number of reports submitted	1		1		1		1		4		
KPA 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
23		Keep record of income of advertising signage and business licences applications and report quarterly to	Number of reports submitted	1		1		1		1		4		
24		Appointment of Service Provider to monitor and process signage applications	Date of appointment	0		0		31-Mar		0		31-Mar-14		
25		Maintain expenditure control of capital budget in terms of SDBIP and report quarterly to Portfolio Committee and CFO	Number of reports submitted	1		1		1		1		4		

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - CORPORATE SERVICES														
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
26		Draft 2015/2016 Departmental budget	Submit in November 2014	0		30-Nov		0		0		30-Nov		
27		Draft Department al SDBIP	Submit in February 2015	0		0		28-Feb		0		28-Feb		
28		Approved 2014/2015 budget by Council	Published in June 2014	0		0		0		30-Jun		30-Jun		
29		Implement a new document management system - Registry	Date of expenditure	0		30-Nov		0		0		30-Nov		R 800 000
		Upgrade Switchboard system	Date of expenditure	30-Sep		0		0		0		30-Sep		R 250 000
30		Display furniture & Equipment - Publicity	Date of expenditure	0		30-Nov		0		0		30-Nov		R 10 000
KPA 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
35		Review communication plan	Date of Review	0		0		0		30-Jun		30-Jun-14		
		Keep record of customer dissatisfaction in registers at municipal offices	No of reports submitted to Portfolio Committee on customer	1		1		1		1		4		
36		Identify all risk areas within the department in accordance with Council's Risk Assessment Plan and report quarterly on risks to the Municipal Manager	Number of reports submitted	1		1		1		1		4		
37		Review Housing Sector Plan	Date of Review	0		0		0		30-Jun		30-Jun		
38		Align implementation of urban Housing with bulk service provision. Attend 2 District Alignment meetings per annum	Number of meetings attended	0		1		0		1		2		
43		Municipal website	No of uploads	10		10		10		10		40		
44		Publish draft 2013/2014 budge	Publish in March 2014 & website	0		0		31-Mar		0		31-Mar		
45		Performance agreement and SDBIP	Made public in July 2014	31-Jul		0		0		0		31-Jul		

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - PROTECTION SERVICES																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Planned Measures for Improvement
				Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Actual	PROJ.	ACTUAL			
KPA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
1	IDP 1.1.10 OPMS 15	Hold 1 Middle management meeting per month and 1 staff meetings per quarter	No of agendas and minutes	4	20	4		4		4		16				
2	IDP 1.1.10 OPMS 16	Provide bi--monthly reports for Protection Services Committee Agendas (Total 6)	No of staff meetings	2	1	1		2		1		6				
3		Attend quarterly Council meetings, Monthly EXCO meeting & bi--monthly Protection Services Committee meetings	No of EXCO meetings	6	3	5		6		6		23				
4		Action Exco & protection Services Committee minutes after approved by Exco.	No of agendas and minutes	100%	2	100%		100%		100%		100%				
KPA 2: BASIC SERVICE DELIVERY																
5		Municipal disaster management plan	No of awareness campaigns	1	0	1		1		1		4		R 518 450		
		Monitor the Municipal Animal Pound facility and submit report to Portfolio Committee	no of reports submitted	1		1		1		1		4		R 712 420		
6		Fire inspections-businesses	No of inspections	25	10	25		25		25		100				
7		Rural fire prevention training	No of training sessions	5	0	0		0		5		10		R 300 000		
8		Examination of vehicles	No of vehicles	400		400		400		400		1600				
9		Motor registration & licensing:	Units of one hundred	40		40		40		80		200				
10		Driver's Licenses: Bookings	No of bookings	500		500		500		500		2000				
11		Passed	No of passes	250		250		250		250		1000				
12		Learners licenses: Bookings	No of bookings	500		500		500		500		2000				
13		Passed	No of passes	150		150		150		150		600				

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - PROTECTION SERVICES																
				QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET				Planned Measures for
KPA 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
14		Draft budget Department 2015/2016	Submit in November 2014	0		30-Nov		0		0		30-Nov				
15		Draft Department SDBIP for 2015/2016	Submit in February 2015	0		0		28-Feb		0		28-Feb				
17		Purchase firefighting equipment	Date of Completion	0		30-Nov		0		0		30-Nov		R 150 000		
18		Renewal of Fire Tenders	Date of Completion	0		30-Nov		0		0		30-Nov		R 300 000		
19		Purchase of office furniture	Date of purchase	0		30-Oct		0		0		30-Oct		R 40 000		
20		Purchase of Breathelysers	Date of purchase	0		30-Sep		0		0		30-Sep		R 30 000		
KPA 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
23	IDP 5.1.6.1 OPMS 15	Enquiries and complaints	No of replies	25		25		25		25		100				
24		Road safety projects at schools	No of projects	2		2		2		2		8				
25		Prepare and implement a safety plan	Complete by 30 June 2015	0		25%		50%		100%		100%				
26		Effective Law Enforcement	Rand value of fines issued	R 4 000 000		R 8 000 000		R 12 000 000		R 16 000 000		R 16 000 000		R 16 000 000		
29		Crime consultative meetings	No of meetings	3		3		3		3		12				
30		Road blocks	No of roadblocks	4		5		3		3		15				
31		Monitor Hawkers	No of visits	20		20		20		20		80				

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - FINANCE

No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Measures for Improvement
				Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Actual	PROJ.	ACTUAL			
KPA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
1	OPMS 15 IDP 1.1.10	Hold 1 Middle management meeting per month and 1 staff meetings per quarter	Number of meetings	4		4		4		4		16				
2	OPMS 16 IDP 1.1.10	Provide monthly reports for Finance Committee Agendas	Number of reports	3		3		2		3		11				
3		Attend quarterly Council meetings, Monthly EXCO meeting & monthly Finance Committee meetings	Number of meetings attended	7		7		6		8		28				
4		Action Exco & Portfolio Committee minutes after approved by Exco	percentage of actioning completed	100%		100%		100%		100%		100%				
KPA 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
5	OPMS IDP	Submit the annual review report on the SCM Policy to Portfolio Committee by 30 June 2014	Date of submission	0		0		0		30-Jun		30-Jun-14				
6		Submit quarterly SCM Skills Development and Training by facilitating 2 training sessions to staff by 30 June 2014 to strengthen SCM Processes	Number of trainings conducted	0		0		0		2		2				
7		Submit quarterly SCM reports to the Mayor within 14 days of end of each quarter.	Number of reports	1		1		1		1		4				
8		Prepare and submit final 2015/2016 budget to Council for approval by 31 May 2015 in terms of Section 24 (1) of the MFMA	Date of submission	0		0		31-Mar		0		30-Mar-15				
9		Time schedule of key deadlines for 2015/2016 budget	Date of submission	0		0		0		30-Jun		30-Jun				
10		Budget Statement	No of statements	3		3		3		3		12				
11		Implementation of the budget	No of reports	0		2		0		2		4				
12		Consolidate and prepare proposed 2014/2015 budget	Start in December 2014	0		31-Dec		0		0		31-Dec				
13		6 monthly budget statements	Tabled in January 2015	0		0		30-Jan		0		30-Jan				
14		Adjustments budget for 2014/2015	Tabled in January 2015	0		0		30-Jan		0		30-Jan				
15		Change in budget related policies	Finalized in March 2015	0		0		31-Mar		0		31-Mar				
16		Primary banking detail to Provincial Treasury and Auditor General	Forwarded in March 2014	0		0		31-Mar		0		31-Mar				

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - FINANCE

No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Measures for Improvement
17		Align municipal budget with IDP	Alignment in March 2015	0		0		31-Mar		0		31-Mar				
18		Draft 2015/2016 budget	Tabled in March 2016	0		0		31-Mar		0		31-Mar				
19		Draft 2015/2016 budget to National Treasury (3 copies)	Forwarded in April 2015	0		0		0		30-Apr		30-Apr				
20		Draft 2015/2016 budget to Provincial Treasury (1 copy)	Completed and mailed in April 2015	0		0		0		30-Apr		30-Apr				
21		Final 2015/2016 budget	Tabled in May 2015	0		0		0		31-May		31-May				
22		Final 2015/2016 budget to National Treasury	Forwarded in June 2015	0		0		0		30-Jun		30-Jun				
23		Final SDBIP for 2015/2016	Approved in June 2015	0		0		0		30-Jun		30-Jun				
24		Prepare and submit the Mid-Year Financial Review of the 2013/2014 budget to the Mayor by 25 January 2014 in terms of Section 72 (1) of the MFMA and Provincial and National Treasury within 10 working days after submission to the Mayor as per budget regulation section 24 (3) of Government Gazette No 32141	Date of submission	0		0		25 Jan & 08 feb		0		25-Jan-14				
25		Improve debt collection by 2014/2015 financial year through the review of the Credit Control Policy and taking remedial action against 75% of defaulters on accounts by 30 June 2015. Report monthly to Portfolio Committee	Date of Review of Policy	0		0		0		30-Jun-14		30-Jun-14				
26			percentage of collection rate	90%		90%		90%		90%		90%				
27			Number of reports	3		3		3		3		12				
28		Regular meetings with Council's Attorneys to discuss progress on handed over debtors	Number of meetings	1		1		1		1		4				
29		Compile Debtor reconciliations by the 15 th of each month	Number of recons	3		3		3		3		12				
30		Submit monthly Grant reports to the relevant Provincial Departments on all DORA Grants received – within 10 days after month end in terms of Section 71 (5) of the MFMA.	Number of reports	3		3		3		3		12				
31		Ensure Creditors are paid in terms of Section 65 of MFMA and report to Portfolio Committee	Number of reports	3		3		3		3		4				
32		Generate annual inventory list for fixed assets by 30 June 2015 and submit to Portfolio Committee	Date of submission	0		0		0		30-Jun		30-Jun-15				

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - FINANCE

No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Measures for Improvement
33		Upgrade of IT equipment	Date of completion			0		30-Oct		0		30-Oct		R 435 000		
34		Purchase furniture and equipment	Date of completion	30-Sep		0		0		0		30-Sep		R 210 910		
		Implement Re-evaluation of properties		0		0		0		30-Jun		30-Jun		R 2 900 000		
37		Compilation of financial statements in terms of MFMA	Submit by 31 August 2015	31-Aug		0		0		0		31-Aug				
		Solid Waste Relief	Number of Households benefitting											R 2 345 850		
		Free electricity	Number of Households benefitting											R 1 198 860		
38		Indigent Support-quarterly report to council	No of reports	1		1		1		1		4				
KPA 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
39	OPMS IDP 4.11.1.1.1	Respond to all internal audit enquiries and general enquiries within 3 working days of receipt thereof	Percentage of response within 3 days	1		1		1		1		4				
40	OPMS 47 IDP 4.1.1.1.1	Identify all risk areas within the department in accordance with Council's Risk Assessment Plan and report quarterly on	Number of reports	1		1		1		1		4				

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - COMMUNITY SERVICES

No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Measures for Improvement
				Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Actual	PROJ.	ACTUAL			
KPA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
1		Hold 1 Middle management meeting per month and 1 staff meetings per quarter	Number of meetings	4		4		4		4		16				
2		Provide bi-monthly reports for Community Services Agendas (Total 6)	Number of reports	2		1		2		1		6				
3		Attend quarterly Council meetings, Monthly EXCO meeting & bi-monthly Community Services Committee	Number of meetings attended	6		5		6		6		23				
4		Action Exco & Community Services Committee minutes after approved by Exco	Percentage of actioning completed	100%		100%		100%		100%		100%				
KPA 2: BASIC SERVICE DELIVERY																
5		Manage on behalf of UDM the environmental health services previously rendered by District Municipalities and submit quarterly progress reports to the Portfolio Committee& Submit to UDM	No. Of inspections carried out on food premises	150		150		150		150		600				
6			No of notices served - overgrown prop.	100		100		100		100		400				
7			No. Of funeral Parlour Inspections	1		1		1		1		4				
8		Report monthly on use of facilities sports grounds, gymnasium, swimming pools, caravan park	Number of reports	1		1		1		1		4				
9		Report on no. of graves burials per quarter. Submit report to Portfolio Committee	Number of reports	1		1		1		1		4				
10		Ensure grass cutting done according to required standard with 2 cycles per month. Report quarterly to Portfolio Committee	Number of grass cutting cycles per month	6		6		6		6		24				
11		Weed eradication – number of jobs created through weed eradication programme	Jobs created	44		44		44		44		44				

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - COMMUNITY SERVICES																
No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Measures for Improvement
KPA 3 : LOCAL ECONOMIC DEVELOPMENT																
12		Identify, through the Youth Desk, indigent youth candidates for skills training and provide financial support	No. of youth candidates identified	0		0		0		40		40				
		Work Creation Programme (Sizabonke)	Number of jobs created	85		85		85		85		85		R 1 003 070		
13		Implement Caretakership Programme for all community facilities, as part of EPWP / CWP for job creation	Number of jobs created	26		26		26		26		26				
KPA 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
14		Maintain expenditure control of capital budget in terms of SDBIP and report bi-monthly to Portfolio Committee	Percentage of expenditure on OPEX	15%		30%		60%		100%		100%				
16		Maintain and update departmental fixed asset & inventory regularly. Submit quarterly updates to CFO and	Number of reports	1		1		1		1		4				
17		Draft 2014/2015 Departmental budget	Submit in November 2014	0		30-Nov		0		0		30-Nov				
18		Draft Departmental SDBIP	Submit in February 2015	0		0		28-Feb		0		28-Feb				
19			Purchase furniture and equipment	Date of purchase of furniture	0		30-Oct		0		0		30-Oct		R 40 000	
			Date of purchase of airconditioner	30-Sep		0		0		0		30-Sep		R 15 000		
		Purchase Equipment for Parks & Gardens section	Date of Purchase of Chainsaws	0		30-Oct		0		0		30-Oct		R 110 000		
			Date of Purchase of slashers	0		30-Aug		0		0		30-Aug		R 200 000		
			Date of Purchase of Brushcutters	0		30-Oct		0		0		30-Oct		R 50 000		
			Date of Purchase of Playpark Equipment	0		31-Dec		0		0		31-Dec		R 450 000		
		Purchase equipment for Pools	Date of purchase of Pipes	0		30-Aug		0		0		30-Aug		R 100 000		
			Date of purchase of Replcement Filter media	0		30-Aug		0		0		30-Aug		R 100 000		
		Construction of Cemetery Pathways & Fencing	Date of completion of palisade fencing	0		0		28-Feb		0		28-Feb		R 200 000		
			Date of completion of Cemetery Pathways	0		0		31-Jan		0		31-Jan		R 200 000		

uMLALAZI MUNICIPALITY 2014 /2015 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - COMMUNITY SERVICES

No.	IDP/OPMS REF	OBJECTIVES	INDICATORS	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget	Variance	Measures for Improvement
20		Sports development: Equit Share	Rand value of budget spent	25%		50%		75%		100%		100%		R 512 000		
21		Cultural development: Equit Share	Rand value of budget spent	25%		50%		75%		100%		100%		R 300 000		
22		HIV relief: Equit share	Rand value of budget spent	25%		50%		75%		100%		100%		R 350 000		
23		Youth Development Programmes: Equit share	Rand value of budget spent	25%		50%		75%		100%		100%		R 600 000		
24		Rural Grounds maintenance: Equit Share	Rand Value of budget spent	25%		50%		75%		100%		100%		R 200 000		
25		Implement Special programmes	Percentage of expenditure	25%		50%		75%		100%		100%		R 585 000		
26		Implement Operation sukuma sakhe	Percentage of expenditure	25%		50%		75%		100%		100%		250 000		
KPA 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
31		Respond to all internal audit enquiries and general enquiries within 3 working days of receipt thereof	Number of reports	1		1		1		1		4				
32		Identify all risk areas within the department in accordance with Council's Risk Assessment Plan and report quarterly on risks to	Number of reports	1		1		1		1		4				
33		Strengthen communication with the Department of Social Development - embrace SukumaSakhe	Number of meetings held with Social development	6		6		6		6		24				
34		Promote Cultural Development through the Cultural Desk	Number of programmes	0		3		2		0		5				
35		Facilitate the development of youth through Sports initiatives	Number of programmes	3		1		4		1		9				
36		Facilitate the promotion of Youth Day through the youth desk	Dat eof Event	0		0		0		30 June 2014		30 June 2014				

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - ENGINEERING SERVICES																
No.	IDP/OPMS REF	WARD	OBJECTIVES	INDICATORS	Number of Jobs Created	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
						Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Actual	PROJ.	ACTUAL	
KPA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
1			Hold 1 Middle management meeting per month and 1 staff meetings per quarter	Number of meetings held		4		4		4		4		16		
2			Provide bi-monthly reports for Engineering Committee Agendas (Total 6)	Number of reports		2		1		2		1		6		
3			Attend quarterly Council meetings, Monthly EXCO meeting & bi-monthly Engineering Committee meetings	Number of meetings attended		6		5		6		6		23		
4			Action Exco & Engineering Committee minutes after approved by Exco.	Percentage of actioning completed		100%		100%		100%		100%		100%		
KPA 2: BASIC SERVICE DELIVERY																
5			Facilitate with uThungulu to ensure alignment of water provisioning to relevant Municipal Capital Projects	Number of alignment meetings held		1		1		1		1		4		
6			Conduct meetings with Eskom to ensure alignment of energy provisioning to Municipal Capital Projects	Number of meetings held with Eskom		1		1		1		1		4		
7			Upgrade Eskom Power Supply to improve capacity to Eshowe	Date upgrade completed		0		31-Dec		0		0		31-Dec		
8			Improve electricity capacity for King Dinuzulu	Date of payment to eskom		0		0		0		0		31-Dec		
9				No of reports to Portfolio Committee		1		1		1		1		04-Jan		
10			Facilitate the implementation solar water geysers projects	Date of application forwarded to Dept. Of Energy		0		0		0		30-Jun		30-Jun		
11			Expand 'Food for Waste' and 'War against Poverty' programmes into all wards – Application for additional funding to be made	Date of funding approval		0		31-Dec		0		30-Jun		30-Jun		

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - ENGINEERING SERVICES																
No.	IDP/OPMS REF	WARD	OBJECTIVES	INDICATORS	Number of Jobs Created	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
12			Expand waste transfer station in Rural areas	Date of application for funding		0		0		0		30-Jun		30-Jun		
13			Implement rural roads programme with the hired graders	Km of rural roads graded		500		500		500		500		2000		R 8 000 000
14			Ensure processing of building plans received for all structures to be built within the municipal area within 30 days of receipt and report bi-monthly to Portfolio	Number of Elevation Committee meetings held		2		2		2		2		8		
15				Number of property inspections		100		100		100		100		400		
16			Building inspections to be carried out on Municipal owned buildings	Number of building inspections		40		40		40		40		240		
17			Stormwater management	Kilometre of stormwater drainage installed												R 800 000
18			Pavement Management (Kurbing)	Kilometres of roads paved												R 125 000
19			Sidewalks	Kilometres of sidewalks constructed												R 140 000
20			Rehabilitation of Urban Roads	Kilometres of roads rehabilitated												R 5 400 000
21		11	Upgrade of intersection - Sunnydale low cost housing	Date of expenditure		0		31-Dec		0		0		31-Dec		R 200 000
22		11	Speedhumps - Eshowe, Gingindlovu & Mthunzini	Number of Speedhumps constructed - Eshowe		0		3		0		0		3		R 100 000
23		18		Number of Speedhumps constructed - Ging		0		3		0		0		3		
24		19		Number of Speedhumps constructed - Mz		0		3		0		0		3		
25		11	Small Business Development - Eshowe Bus & Taxi rank	Date of expenditure		0		0		0		30-Jun		30-Jun		R 3 500 000
26		10	Esifubeni Road (MIG)	Date of Completion		0		0		28-Feb		0		28-Feb		R 2 321 950
27				Kilometres of Road paved												
28				Number of inspections done		1		3		2		0		6		
29		11	Kangela Road Eshowe (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 4 216 860
30				Kilometres of Road paved												
31				Number of inspections done		0		1		3		2		6		
32		12	KDS / Sunnydale Link Road (MIG)	Date of Completion		0		0		30-Jan		0		30-Jan		R 1 900 000
33				Kilometres of Road paved												
34				Number of inspections done		1		3		2		0		6		

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - ENGINEERING SERVICES																
No.	IDP/OPMS REF	WARD	OBJECTIVES	INDICATORS	Number of Jobs Created	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
35		11	Rehabilitation of Osborne Road (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 4 386 770
36				Kilometres of Road paved												
37				Number of inspections done	0		1		3		2		6			
38		3	Mtipela Road (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 3 000 000
39				Kilometres of Road paved												
40				Number of inspections done	0		1		3		2		6			
41		24	Makhehle Causeway (MIG)	Date of Completion		0		0		31-Mar		0		31-Mar		R 1 100 000
42				Metres of Causeway constructed												
43				Number of inspections done	1		3		2		0		6			
44		24	Bele Road (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 1 309 860
45				Kilometres of Road paved												
46				Number of inspections done	0		1		3		2		6			
47		15	Nogobhoza Road (MIG)	Date of Completion		0		31-Dec		0		0		31-Dec		R 1 562 180
48				Kilometres of Road paved												
49				Number of inspections done	3		2		0		0		5			
50		17	Gciza Causeway (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 2 178 380
51				Metres of Causeway constructed												
52				Number of inspections done	0		1		3		2		6			
53		12	KDS Bus Route Rehabilitation (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 500 000
54				Kilometres of Road paved												
55				Number of inspections done	0		1		3		2		6			
56		1	Mfofolozi Causeway (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 2 400 000
57				Metres of Causeway constructed												
58				Number of inspections done	0		1		3		2		6			
59		4	Ndlongolwane Road (MIG)	Date of Completion		0		0		0		30-Jun		30-Jun		R 1 500 000
60				Kilometres of Road paved												
61				Number of inspections done	0		1		3		2		6			

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - ENGINEERING SERVICES																
No.	IDP/OPMS REF	WARD	OBJECTIVES	INDICATORS	Number of Jobs Created	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
62		11	Upgrade / renovate / additions - Community Halls and office buildings	Percentage of budget spent - renewal of current municipal buildings (R700 000)		0		50%		100%		0		100%		R 3 300 000
63				Percentage of budget spent - Registry office (R400 000)		0		50%		100%		0		100%		
64				Percentage of budget spent - Firestation living quarters (R500 000)		50%		100%		0		0		100%		
65				Percentage of budget spent - Parks and Gardens Staff Change rooms (R400 000)		50%		100%		0		0		100%		
66				Percentage of budget spent - Sunnyside Pool Ablution facilities (R150 000)		50%		100%		0		0		100%		
67				Percentage of budget spent - Mayors Office renovation (R500 000)		0		50%		100%		0		100%		
68				Percentage of budget spent - Municipal Managers office (R250 000)		0		50%		100%		0		100%		
69				Percentage of budget spent - Offices for building department (R400 000)		0		50%		100%		0		100%		
70		11		Percentage of budget spent on Finance office renovation		0		50%		100%		0		100%		R 219 800
71		13	Construction of Sqwanjana Community Hall	Date of Completion		0		0				30-Jun		30-Jun		R 1 700 000
72				Number of inspections done		0		1		3		2		6		
73		11	Construct new Testing Station	Date of Completion		0		0				30-Jun		30-Jun		R 2 856 870
74				Number of inspections done		0		1		3		2		6		
75			Purchase Equipment / upgrade electricity supply	Date of purchase of 1 complete 3 way ring main unit		0		30-Nov		0		0		30-Nov		R 200 000
76				Date of purchase of 1 Auto recloser		0		30-Nov		0		0		30-Nov		R 180 000
77				Date of upgrade of Robot Control System		0		31-Oct		0		0		31-Oct		R 20 000
78				Date of upgrade of Street lights		0		31-Oct		0		0		31-Oct		R 100 000
79				Date of purchase of indoor transformers		0		31-Oct		0		0		31-Oct		R 150 000

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - ENGINEERING SERVICES																
No.	IDP/OPMS REF	WARD	OBJECTIVES	INDICATORS	Number of Jobs Created	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
80				Date of purchase of pole mounted transformers		0		31-Oct		0		0		31-Oct		R 80 000
81				Date of purchase of single phase prepaid meters		30-Aug		0		0		0		30-Aug		R 100 000
82				Date of purchase of chainsaws		30-Aug		0		0		0		30-Aug		R 20 000
83			Caretaking of Rural Buildings (Equitable Share)	Number of reports submitted		1		1		1		1		4		R 200 000
84			Building of Creche facilities for early Childhood Development (Equitable Share)	Date of expenditure		0		0		0		30-Jun		30-Jun		R 300 000
85			Free Refuse Service (Equitable Share)	Number of households benefitting from free refuse service		12000		12000		12000		12000		R 12 000		R 1 551 430
86		15	Construction of Kwayabu Sportsfield	Date of Completion		0		0		31-Mar		0		31-Mar		R 1 400 000
87				Number of inspections done		1		3		2		0		6		
88		24	Construction of Kwabulawayo Sportsfield	Date of Completion		0		0		0		30-Jun		30-Jun		R 2 140 130
89				Number of inspections done		0		1		3		2		6		
KPA 3 : LOCAL ECONOMIC DEVELOPMENT																
90			Poverty alleviation (Equitable Share)	Number of jobs created												R 2 800 000
91				Percentage of expenditure												
92			Work Creation (Equitable Share)	Number of jobs created												R 4 526 670
93				Percentage of expenditure												
KPA 4 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
94			Maintain and update departmental inventory regularly. Submit quarterly updates/reports and annual exception report to CFO by 30 June 2014	Number of updates forwarded to CFO		1		1		1		1		4		
95				No. of reports on Road Assets Management		1		1		1		1		4		
96				No. Of reports on Fleet Management		1		1		1		1		4		
97			Replacement of existing conventional meters to pre-paid	percentage of replacements completed		100%	100%	100%		100%		100%		100%		
98			Improved record holding of tonnage of waste collected through transfer station	% increase in revenue from cash collection at waste transfer stations		2%		2%		2%		2%		8%		
99			Draft 2014/2015 Departmental budget	Date of submission		0		30-Nov		0		0		30-Nov		

uMLALAZI MUNICIPALITY 2013 /2014 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) - ENGINEERING SERVICES																
No.	IDP/OPMS REF	WARD	OBJECTIVES	INDICATORS	Number of Jobs Created	QUARTER 1 - TOTAL		QUARTER 2 - TOTAL		QUARTER 3 - TOTAL		QUARTER 4 - TOTAL		ANNUAL TARGET		Budget
100			Draft Departmental SDBIP	Date of submission		0		0		28-Feb		0		28-Feb		
101			Purchase of Vehicles for - Roads & Streets(x5)	Date of expenditure		0		31-Oct		0		0		31-Oct		R 1 360 000
102			Purchase vehicle - Traffic dept.	Date of expenditure		30-Sep		0		0		0		30-Sep		R 170 000
103			Purchase vehicle - Testing Station	Date of expenditure		0		31-Oct		0		0		31-Oct		R 160 000
104			Purchase of Vehicle - Waste Management	Date of expenditure		0		31-Oct		0		0		31-Oct		R 250 000
105			Purchase of Vehicle - Planning	Date of expenditure		0		31-Oct		0		0		31-Oct		
106			Purchase of vehicle - electricity dept	Date of expenditure		30-Sep		0		0		0		30-Sep		R 250 000
107			Rehabilitation of Eshowe Landfill Site	Date of expenditure		31-Jul		0		0		0		31-Jul		R 550 000
108																
KPA 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
109			respond to all internal audit queries and general enquiries within 3 working days of receipt thereof	Number of reports submitted to Audit Committee		1		1		1		1		4		
110			identify all risk areas within the department in accordance with Council's Risk Assessment Plan and report quarterly on	Number of reports to MM		1		1		1		1		4		